



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

SUMMARY OF PROCEEDINGS



Building Together the Prosperity of Asia

ともにひろく、アジアの未来



Introductory Note

The Fiftieth Annual Meeting of the Board of Governors of the Asian Development Bank was held in Yokohama, Japan from 4 to 7 May 2017.

This Summary of Proceedings of the Meeting is presented in accordance with the provisions of Section 9 of the Rules of Procedure of the Board of Governors.

The views expressed by ADB members at the Annual Meeting of the Board of Governors are those of the speakers and do not necessarily reflect the views and policies of ADB.

WooChong Um
The Secretary
Asian Development Bank
July 2017

Summary of Proceedings of the Fiftieth Annual Meeting of the Board of Governors

The Fiftieth Annual Meeting of the Board of Governors was held in Yokhama, Japan from 4 to 7 May 2017.*

The Honorable Taro Aso, Deputy Prime Minister and Minister of Finance and Governor for Japan, and His Imperial Highness The Crown Prince of Japan, addressed the opening session on 6 May 2017, preceded by the President of the Asian Development Bank, Mr. Takehiko Nakao.

The Governor for Japan, the Honorable Taro Aso, chaired the Meeting. The Governor for Italy, the Honorable Ignazio Visco, and the Governor for Pakistan, the Honorable Mohammad Ishaq Dar, served as Vice-Chairs.

* Seminars and other activities were held throughout the day from 3 to 7 May 2017.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

Document No. BG50-1
28 March 2017

SCHEDULE OF MEETING*

- | | | | |
|----------------------|---|------------|--------------------------------------|
| Saturday, 6 May 2017 | - | 11:00 a.m. | - Opening |
| | | | - Address by the Guest of Honor |
| | | | - Address by the President of ADB |
| | - | 12:15 p.m. | - Adjournment |
| | - | 2:30 p.m. | - Report of the Procedures Committee |
| | | | - Statements by Governors |
| | - | 5:00 p.m. | - Adjournment |
| Sunday, 7 May 2017 | - | 10:30 a.m. | - Statements by Governors |
| | | | - Remarks by the Chair-Elect |
| | | | - Concluding Remarks |
| | - | 12:00 p.m. | - Closing |

* Seminars and other activities will be held throughout the day from 6 to 7 May 2017.

OPENING SESSION



Opening Address by ADB President Takehiko Nakao at the 50th Annual Meeting of the Board of Governors in Yokohama, Japan on 6 May 2017

Good morning. Your Imperial Highness, The Crown Prince of Japan; ADB Governors; distinguished guests; ladies and gentlemen:

It is my privilege to join the Honorable Minister Taro Aso, Chair of the Board of Governors, in welcoming all of you to the 50th Annual Meeting of the Asian Development Bank, here in the City of Yokohama.

I would like to express my deepest appreciation to His Imperial Highness for honoring us with his presence.

Japan has always been a steadfast supporter of ADB. It is ADB's largest shareholder and the biggest contributor to the Asian Development Fund, ADB's concessional window for poorer countries. It has also contributed to major trust funds for poverty reduction and scholarships. Japan has provided important ideas about development and shared its experiences.

Yokohama represents a spirit of openness and innovation. Yokohama, in 1859, was one of the first ports opened to foreign trade, when Japan ended its isolationist policy of more than 200 years. More recently, Yokohama has been championing ideas of cleaner, greener, and more livable cities, and comprehensive disaster risk management, both of which ADB is also promoting.

We have about 6,000 participants registered for this Annual Meeting. This is the largest participation in the history of ADB.

On behalf of ADB, I would like to convey our most sincere gratitude to the Government and people of Japan, the City of Yokohama, and Mayor Fumiko Hayashi for their strong support and warm hospitality.

50 Years' History

As we commemorate ADB's 50th anniversary, we have just published our 50-year history book. I would like to share some of my thoughts about our history.

When ADB was established in 1966, the Asia and Pacific region was defined by poverty. One of the most important challenges at that time was how to feed the region's large and growing population. Agriculture was a priority sector for operations in ADB's initial years.

Half a century later, Asia accounts for one-third of global GDP, and it contributes to more than half the world's economic growth. The region's rapid development has reduced poverty and raised the living standards of people. ADB has been a reliable partner in this remarkable transformation of Asia.

Before ADB was established, many ideas about creating a new development bank for Asia were proposed by policy makers, scholars, and the business community across Asia. ADB was created through the collective wishes and efforts of people within and outside the region. Mr. Nyun from Myanmar, Executive Secretary of ECAFE (UN Economic Commission for Asia and the Far East), hosted initial preparatory meetings in Bangkok. A young Filipino lawyer, Mr. Florentino Feliciano, helped write the ADB Charter. A former World Bank president and investment banker from the US, Mr. Eugene Black, gave good advice.

And Mr. Takeshi Watanabe, a former vice-minister of finance from Japan with rich experience in international finance, played a central role in establishing ADB. He became the first ADB President.

In my view, ADB's achievements over the past 50 years can be summarized in its three broad functions.

First is combining finance and knowledge to support developing member countries. Today, there is much discussion about mobilizing private resources to finance large development needs. But I would like to emphasize that ADB, itself, was created to mobilize private resources from global capital markets. Asia was desperately short of capital at the time of ADB's establishment. By adhering to sound banking principles and establishing a strong credit profile, in 1969 ADB successfully issued its first bond in Deutschmark in Germany. ADB was the first international entity to issue yen-denominated bonds in Japan in 1970. That was the start of the "samurai" bond market.

In the past 50 years, ADB has provided about \$270 billion of loans and grants, based on a cumulative \$7 billion of paid-in capital contributions from 67 members, and \$30 billion of contributions from 34 members to the Asian Development Fund.

When I visit developing member countries in the region, I always find that ADB is welcomed not only because of our financing, but also because of our knowledge and the expertise that ADB has gained through our operations across the region. In addition to a wide range of new technologies and ideas in infrastructure and social sector projects, ADB has introduced ways to care about the environmental and social impacts of projects in designing and implementing them.

The second major contribution of ADB is the promotion of good policies. Over the years, Asian countries have adopted prudent macroeconomic policies and open trade and investment regimes, as well as strong investment in infrastructure and education, all underpinned by clear long-term visions. I believe these policies have provided a basis for rapid growth in Asian economies.

ADB has been supporting good policies through high-level dialogue with state leaders and ministers, technical assistance, capacity building, and policy-based budget support loans. Based on intensive discussions with the authorities, ADB has also provided emergency loans when members were hit by crises, such as the oil crisis in the 1970s, the Asian financial crisis in the 1990s, and the global financial crisis more recently.

The third achievement of ADB is fostering regional cooperation and friendship. ADB itself was created by the idea of regional cooperation in Asia and the Pacific. Over the years, ADB has promoted subregional cooperation frameworks in Central Asia, South Asia, Southeast Asia, the Pacific, and the Greater Mekong subregion. Australia and New Zealand, ADB's founding developed members in the region, have been strong supporters of initiatives for Pacific island countries.

Partnerships with non-regional member countries in North America and Europe have been critical. They have enhanced ADB's financing capacity and contributed to concessional operations. Non-regional members have also provided many new ideas about development. The motto of the first ADB President Watanabe was "listening to countries' views before telling them what to do". I am confident that his approach of respecting countries' ownership and carefully attending to countries' needs remains an integral part of ADB's culture.

The Year in Review

Now, let me report to you on our accomplishments in 2016.

Two years ago at our annual meeting in Baku, Azerbaijan, I pledged to build a Stronger, Better, and Faster bank. We are making solid progress in achieving that goal.

Last year, we maintained good momentum in scaling up our operations. Total ADB operations last year, including cofinancing and technical assistance, reached \$31.7 billion. Our own loan and grant approvals reached a record high of \$17.5 billion, a 9% increase from the previous year. Out of this, ADB's lending and equity investment to the private sector was \$2.5 billion. Our climate finance, for mitigation and adaptation, reached \$3.7 billion, up from \$2.6 billion in 2015.

In addition, cofinancing with our public and private partners increased to \$13.9 billion. This includes our first two cofinanced projects with the Asian Infrastructure Investment Bank for roads in Pakistan and a natural gas project in Bangladesh.

The scaling up of our operations has become possible due to our innovative approach of merging the ordinary capital resources balance sheet and the Asian Development Fund lending operations, which became effective in January this year. The Asian Development Fund, which is now devoted exclusively to grant operations, will enhance ADB's support to poorest countries and fragile and conflict affected countries.

Regional Economic Outlook

I would like to talk briefly about the economic outlook for Asia and the Pacific.

Developing Asia has been growing at about 6% annually, even after the global financial crisis. It will grow 5.7% this year. Excluding the four newly industrialized economies of Hong Kong, China; Taipei, China; the Republic of Korea; and Singapore, developing Asia's growth rate is projected to be even stronger at 6.3% this year.

The People's Republic of China is transitioning to more moderate and balanced growth. But, growth is gathering momentum in countries such as Bangladesh, India, Indonesia, Myanmar, the Philippines, and Viet Nam.

I am optimistic about continued robust growth in Asia. There is strong demand, notably consumption by a growing middle class and increasing investment in infrastructure. Asia also has strong supply side capacity, supported by extensive production networks in the region and ongoing structural reforms such as deregulation.

ADB's Role in Strategy 2030

Ladies and gentlemen:

Building on our achievements over the last 50 years, what should ADB do going forward?

While the region has done remarkably well, we cannot be complacent. Several challenges remain and new ones have emerged in Asia. 330 million people still live in absolute poverty on less than \$1.90 a day. Implementing the Sustainable Development Goals and the climate actions agreed at COP21 in 2015 are collective priorities for Asian economies. We also face new challenges from urbanization, aging, and widening inequalities.

Against this backdrop, we have started discussing our new long-term strategy—Strategy 2030. I would like to touch on five priorities at this moment.

First, supporting infrastructure development will remain our priority. According to a recent special report by ADB, Asia will need \$1.7 trillion per year in investments in power, transport, telecommunications, and water through 2030. This is more than double our previous estimate, reflecting additional investments needed to support continued growth and address climate change.

In supporting infrastructure, we will incorporate more advanced technologies. Our developing member countries care about maintenance costs and the resilience of infrastructure. They increasingly aspire for innovative technologies for their projects. And many innovative companies across the world, including in emerging economies, are keen to contribute to Asia's development. We have already initiated reforms in our business processes for project preparation and procurement to promote greater use of advanced technologies.

The second priority is social sectors. In health, we will support universal healthcare systems and cross-border initiatives to combat communicable diseases such as malaria, tuberculosis, and HIV. In education, we will continue to support Technical and Vocational Education and Training, or TVET, and help improve the quality of secondary education.

Third, we will further promote gender equality. Gender has been a key area of ADB operations for many years, even before we adopted our first Policy on the Role of Women in Development in 1985. Gender is a cross-cutting issue that influences all social and economic processes. We will design projects that help women and girls secure higher skills, better health, more jobs, and a larger voice in decision making.

Fourth, we will step up efforts to mobilize private resources for development. This includes promoting greater and more effective use of public-private partnerships, or PPPs. This approach is not new. In the late 19th century in Japan, for example, many railways and electricity services were started through innovative private companies under concessions granted by the government. The first gas light in Japan was constructed in Yokohama in 1872, through the joint work of Japanese merchants and a French engineer.

In addition, ADB is directly financing private companies in such infrastructure as solar, wind and geothermal power, highways, telecommunications, and ports. And ADB is supporting an increasing number of private sector projects in education, health, and agriculture. Funding micro, small, and medium sized enterprises, through local banks, will remain a priority.

Regarding ADB's private sector operations, I very much appreciate Japan's contribution to the newly created trust fund called Leading Asia's Private Infrastructure, or LEAP fund. It is based on an equity investment of up to \$1.5 billion from JICA (Japan International Cooperation Agency), and it supports ADB's lending and equity investments in private infrastructure projects. In 2016, only five months after it was set up, we approved two clean energy projects, in India and Indonesia, using this trust fund and ADB's own resources.

Lastly, another priority for Strategy 2030 will be continued reforms in ADB itself. ADB will strengthen its sector and thematic expertise, enhance staff capacity, and streamline procedures. We will deepen our collaboration with civil society, academia, the private sector, and local authorities such as Yokohama.

I hope that we will receive many ideas from you during this Annual Meeting on how ADB can best contribute to Asia and the Pacific in the future.

Closing

Ladies and gentlemen:

At ADB's inaugural meeting in Shiba, Tokyo in 1966, Eisaku Sato, Prime Minister of Japan, called the establishment of ADB "an event which marks the brilliant opening of a new era in the history of Asia." It might have sounded too optimistic at the time, but we have achieved much more than many people expected.

Today, we begin a new chapter in the history of ADB and the region. Building on our achievements of the past 50 years, ADB will continue to work together with our partners to build a more vibrant, inclusive, and sustainable Asia and the Pacific.

I ask for your continued support.

Thank you.

Opening Address by Taro Aso, Governor for Japan at the 50th Annual Meeting of the Board of Governors in Yokohama, Japan on 6 May 2017

1. Introduction

Your Imperial Highness, the Crown Prince, Mr. President, Distinguished Governors, Ladies and Gentlemen:

We feel greatly honored to hold the 50th Annual Meeting of the Asian Development Bank with the presence of Your Highness. On behalf of all the Governors and other participants, I would like to express my profound gratitude.

And I would like to extend my warm welcome to all of you for your participation in this meeting. Yokohama is one of the most international cities in Japan. It has developed as Japan's gateway to the world since the opening of its port some 160 years ago. Thus, it is an appropriate place to hold this memorable meeting.

This meeting could not have been held without the cooperation of many Yokohama citizens. I would like to extend my sincere gratitude to the citizens of Yokohama for their warm hospitality. Also, I am glad that Mr. Nakao was reelected as President last August, winning the confidence of all members for his strong leadership in managing the Bank.

2. Economic Development of the Asia-Pacific Region

Now, looking back on the half-century since the Bank's foundation, Asia and the Pacific region, which was very poor 50 years ago, has made remarkable economic progress. As a result, the poverty rate has dropped significantly. Today, this region is the driving force of the global economy.

During this process, this region has faced a range of difficulties, such as food shortage, weak infrastructure, pandemics, natural disasters, and the currency crisis. However, countries have made great efforts in overcoming them and successfully built a dynamic region. The Bank, as a family doctor in the region, has made a huge contribution by working closely with these countries and providing appropriate assistance.

3. Challenges for the Asia-Pacific Region and Required Responses

The region's achievement in poverty reduction through economic growth is a proud success story of development in the world.

But we cannot be complacent.

Over 300 million people still live in poverty in the region. And the region continues to face threats from natural disasters and pandemics. Moreover, economic development and globalization have brought about challenges such as widening inequality, aging, climate change and rising volatility in international capital flows.

To confront these challenges, I believe we should follow two guiding principles of "achieving inclusive and sustainable economic growth", and "strengthening resilience against various crises". And we should focus on areas such as infrastructure development, strengthening of the health system, disaster risk management and regional financial cooperation.

(Infrastructure Development)

First, let me talk about infrastructure development. Infrastructure needs in Asia are getting larger both in terms of quantity and quality due to economic development.

The Bank's recent estimates point to huge infrastructure needs in developing Asia, amounting to 26 trillion dollars over the next 15 years. Against this backdrop, I would expect the Bank to continue to promote infrastructure development, and to further mobilize private sector financing including through PPPs.

I would also like to point out that enhancing quality of infrastructure in terms of lifecycle cost and environmental and social considerations is important. From this perspective, I welcome the Bank's recent decision to introduce new procurement procedures that put more emphasis on quality. I encourage the Bank to continue to move in this direction.

Japan has been promoting quality infrastructure in Asia in close collaboration with the Bank. To further strengthen this partnership, I now announce that Japan will provide 40 million dollars over a 2-year period to the newly-created Bank's trust fund to promote high level technologies. I would also like to emphasize that it is critical to utilize infrastructure in an open, transparent and non-exclusive manner to enhance its connectivity.

(Strengthening of the Health System)

Second, turning to the issue of health, a stronger health system makes people healthier.

This is important not only for humanitarian and social reasons but also for economic reasons, as good health contributes to inclusive and sustainable growth.

This issue is particularly relevant in Asia, because Asia is frequently hit by pandemics such as bird flu, and also because rapid aging is expected to create emerging health challenges such as a growing demand for elderly care.

The Bank, as a broad-based development institution, is encouraged to further strengthen its expertise on these social issues to make a meaningful contribution.

Japan achieved universal health coverage ahead of other countries, and accumulated various expertise and experience on health and elderly care as it has entered into super-aging society. Based on these strengths, Japan will support Asian countries in addressing health-related challenges. During this Annual Meeting, the Bank and JICA have just agreed on a framework to promote collaboration in this area.

(Disaster Risk Management)

Third, on disaster risk management. Natural disasters such as typhoons, floods and earthquakes occur frequently in Asia, and the risk could intensify due to progress of climate change.

Against this backdrop, the Bank is encouraged to make further efforts in addressing climate change. Also, I expect the Bank to bolster support in areas such as post-disaster reconstruction and building of disaster-resilient societies.

With our abundant knowledge and experience, Japan has been actively promoting measures such as building disaster-resilient infrastructure. In addition, Japan will make further contribution by working towards the establishment of "Southeast Asia Disaster Risk Insurance" to facilitate swift mobilization of funding in case of natural disasters.

(Regional Financial Cooperation)

Fourth, on regional financial cooperation.

As the Asian economy is facing risks stemming from volatile international capital flows, I expect the Bank to support structural reforms through policy dialogue and loans, to strengthen economic resilience of its members. Also, the Bank is encouraged to provide prompt crisis response in collaboration with other international financial institutions.

Japan, as one of Co-chairs of the ASEAN+3 Financial Cooperation Process this year, has been promoting further enhancement of the CMIM, our regional financial safety net. Also, we have been advancing more use of local currencies under the ABMI.

In addition, Japan proposed a new type of Bilateral Swap Arrangements, at the Finance Ministers and Central Bank's Governors Meeting between ASEAN countries and Japan held yesterday.

Specifically, Japan proposed to enable withdrawal in Japanese yen under the existing BSAs, and establish a new type of BSA totaling up to 4 trillion yen to address short term liquidity problems.

Through these efforts, Japan will further strengthen financial resilience in Asia.

4. Future Direction of the Bank's Operations

Now, let me touch on the future direction of the Bank's operations.

Thanks to the Bank's support, the Asian region has achieved remarkable economic development, and the proportion of Upper Middle-Income Countries, or UMICs, has been rising. On the other hand, the region is faced with more various challenges such as rapid aging, climate change and volatility in international capital flows.

Against this background, I encourage the Bank to focus more on knowledge-sharing and reform supporting loans in areas such as health, while continuing to promote infrastructure projects as a central pillar of its operations. Japan supports that the Bank bolsters its staffing and organization to implement these operations in an effective manner.

Regarding a balance between support for UMICs and poorer countries, the Bank should in principle prioritize poorer countries to make effective use of the Bank's precious resources.

At the same time, the Bank is also expected to address challenges facing UMICs, as such engagement contributes to further development of the entire region.

Based on these considerations, we believe that the Bank should engage with UMICs in an appropriate manner both in terms of volume and quality. Specifically, the Bank should continue its engagement with UMICs, focusing on knowledge cooperation and support in areas such as environmental issues with externality and spillovers.

5. Conclusion

Now, let me conclude.

The Bank is currently preparing "Strategy 2030", its new long-term strategy. I hope that the Bank will develop a strong strategy taking into consideration various discussions at this Annual

Meeting, so that the Bank will remain a highly relevant institution in the region and contribute to its further development.

To close my remarks, I would like to commend the Bank for its tremendous achievements over the past 50 years. And I encourage it to continue playing a central role in regional development under the strong leadership of President Nakao. Japan remains firmly committed to working hard for the development of the Asia-Pacific region, in close cooperation with the Bank.

Thank you very much.

Address by His Imperial Highness The Crown Prince at the Opening Session of the Fiftieth Annual Meeting of the Asian Development Bank

**Saturday, May 6, 2017
Pacifico Yokohama**

Mr. Chairman,
Mr. President,
Distinguished Governors,
Ladies and Gentlemen,

I am greatly delighted that the fiftieth Annual Meeting of the Asian Development Bank is being held here in Yokohama, a city that has developed as a gateway to the world since the opening of its port about 160 years ago.

I had the opportunity to attend the annual meetings in Fukuoka twenty years ago and also in Kyoto ten years ago. It is my great pleasure to be here again with you today, at this memorable annual meeting to reflect on the Bank's achievements this far and to discuss the future of the Asia-Pacific region.

Fifty years ago, when the Bank's Inaugural Meeting was held in Tokyo, Asia and the Pacific was one of the poorest regions in the world. Since then, during the last half century, the countries in this region have made significant progress in economic development and poverty reduction. In this process, the Bank has worked closely with its member countries and across a range of areas actively provided them with development assistance. I would like to express my sincere respect for the member countries' efforts and the Bank's considerable contributions.

There are, however, still over three hundred million people living in poverty in this region, and poverty reduction through sustainable and inclusive growth remains an important agenda to us. The region is also faced with a range of challenges, such as developing infrastructure including power supply networks and transportation facilities, as well as addressing natural disasters and climate change. Against this backdrop, I hope that the Bank will further play an important role in addressing these issues.

I understand that this annual meeting identified as its theme "Building Together the Prosperity of Asia." According to these words, I would like to conclude my remarks by expressing my hope that the participants gathered here in Yokohama from around the world will combine their wisdom and work towards overcoming various challenges, so that we can together build Asia's prosperity.

Thank you.

BUSINESS SESSIONS

50TH ANNUAL MEETING OF THE BOARD OF GOVERNORS
ASIAN DEVELOPMENT BANK





50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

Document No. BG50-2
28 March 2017

PROVISIONS RELATING TO CONDUCT OF MEETING

Admission

1. Sessions of the Board of Governors of ADB will ordinarily be open to advisers of member delegations, accredited observers, guests, media, nongovernment organizations and other civil society organizations, the meeting secretariat, and ADB staff.
2. Meetings of the Procedures Committee, should they be called, shall be open to Governors who are members of the committee and their advisers, and others as may be considered necessary by the Chair of the committee.

Order of Speaking and Records

3. The Chair of the Board of Governors will establish the order of speaking at each session. Governors desiring to speak will generally be recognized in the established order of speaking.
4. There will be two business sessions. Instead of delivering an oral statement during a business session, Governors will have the option to submit a written statement only, which will be uploaded on the ADB website following the first business session. Governors will also have the option to deliver an abridged oral statement during the business session with a complete written statement posted on the website immediately after delivery. Joint statements are encouraged.
5. Governors are expected to keep their oral statements short. In cases where a longer statement is considered necessary, Governors may provide The Secretary with the full text for the record.
6. Messages or statements by observers may be brought to the attention of the meeting by circulation through the Office of The Secretary.
7. The Secretary will keep a summary of the proceedings of the Annual Meeting, which will be made available to members as soon as possible after the meeting. Governors are requested to submit their statement in English (the official language of ADB) for inclusion in the proceedings.

Procedures Committee

8. Before the meeting, the committee will consider (via correspondence) and make recommendations to the Board of Governors on the schedule and agenda for the meeting, and the provisions relating to the conduct of the meeting (and any procedural matters). A report of the Procedures Committee will be prepared. Notwithstanding this arrangement, the Procedures Committee members will need to be available to convene during the meeting should the need arise.

Public Information

9. The Chair of the Board of Governors and the President of ADB may communicate to the media such information concerning the proceedings of the meeting as they may deem suitable.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

Document No. BG50-3, Revision 2
21 April 2017

AGENDA

1. Annual Report for 2016
2. Financial Statements, Management's Report on Internal Control over Financial Reporting and Independent Auditors' Reports
3. Allocation of Net Income
4. Budget for 2017
5. Status of the Financial Resources of the Asian Development Bank
6. Place and Date of Fifty-Second Annual Meeting (2019)
7. Updates to Rules and Regulations
8. Composition of the Procedures Committee for 2017/2018

PROCEDURES COMMITTEE





50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

6 May 2017

REPORT OF THE PROCEDURES COMMITTEE FOR 2016/17

The Procedures Committee for 2016/17—consisting of the governors for Armenia, Australia, Bangladesh, Canada, the People’s Republic of China, Italy, Japan, Luxembourg, Myanmar, Papua New Guinea, Philippines, and the United States—considered by correspondence and on a no-objection basis the (Draft) Report of the Procedures Committee for 2016/17 on 28 April 2017.

The committee submits the following report:

1. Provisional Schedule of Meeting

The committee recommends that the Provisional Schedule of Meeting (BG50-1) be approved with such changes as the chair may announce during the course of the meeting.

2. Provisions Relating to Conduct of Meeting

The committee recommends that the Provisions Relating to Conduct of Meeting (BG50-2) be approved.

3. Agenda for Meeting

The committee recommends adoption of the Agenda (BG50-3, Revision 2). Regarding the items on the agenda, the committee reports as follows:

- (i) **Annual Report for 2016.** The committee recommends that the Board of Governors take note of the Annual Report.
- (ii) **Financial Statements, Management’s Report on Internal Control over Financial Reporting, and Independent Auditors’ Reports.** The committee noted the report of the Board of Directors (BG50-4) and recommends that the draft resolution entitled “Financial Statements, Management’s Report on Internal Control over Financial Reporting, and Independent Auditors’ Reports” be adopted by the Board of Governors.
- (iii) **Allocation of Net Income.** The committee noted the report of the Board of Directors (BG50-5) and recommends that the draft resolution entitled “Allocation of Net Income” be adopted by the Board of Governors.
- (iv) **Budget for 2017.** The committee recommends that the Board of Governors take note of the report of the Board of Directors on the ADB and ADB Institute budgets for 2017 (BG50-6).

- (v) **Status of the Financial Resources of the Asian Development Bank.** The committee recommends that the Board of Governors take note of the report of the Board of Directors (BG50-7).
- (vi) **Place and Date of Fifty-Second Annual Meeting (2019).** The committee noted the report of the Board of Directors (BG50-8) and recommends that the draft resolution entitled “Place and Date of Fifty-Second Annual Meeting” be adopted by the Board of Governors.
- (vii) **Updates to Rules and Regulations.** The committee recommends that the Board of Governors take note of the report of the Board of Directors (BG50-9).
- (viii) **Composition of the Procedures Committee for 2017/2018.** The committee recommends that a Procedures Committee be constituted consisting of the governors for Australia, Austria, Bhutan, the People’s Republic of China, Cook Islands, France, Japan, the Republic of Korea, Nepal, Norway, the Philippines, and the United States. The committee should be available for consultations at the discretion of the chair regarding the schedule of meeting, provisions relating to conduct of meeting, the agenda for the meeting, and any procedural matters, by correspondence, and if necessary, by convening immediately before or during the Fifty-First Annual Meeting. The committee further proposes that the Governor for the Philippines be appointed chair of the Procedures Committee.

The committee also proposes that the Governor for the Philippines be elected chair and the governors for the Federated States of Micronesia and Portugal be elected vice-chairs of the Board of Governors for 2017/18.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

Document No. BG50-4
21 April 2017

**FINANCIAL STATEMENTS, MANAGEMENT'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND INDEPENDENT AUDITOR'S
REPORTS**

REPORT OF THE BOARD OF DIRECTORS

In accordance with Article 31 (iii) of the Articles of Agreement and Section 15 of the By-Laws, the audited financial statements of ADB for 2016, including the financial statements for the operations of Special Funds, as contained in the Annual Report for 2016, are submitted for approval, together with the text of a draft Resolution.

(DRAFT) RESOLUTION NO. ____

**FINANCIAL STATEMENTS, MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND INDEPENDENT AUDITOR'S REPORTS**

The Board of Governors

Having reviewed the Independent Auditor's Report on the Financial Statements and Management's Report on Internal Control over Financial Reporting of ADB for 2016

RESOLVES:

That the audited Financial Statements as contained in the Annual Report of ADB for 2016, which include separate financial statements for the operations of Special Funds, are approved.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

Document No. BG50-5
21 April 2017

ALLOCATION OF NET INCOME

REPORT OF THE BOARD OF DIRECTORS

1. ADB's net loss from its ordinary capital resources for the year ended 31 December 2016, after appropriations of guarantee fees of \$18,074,113 to the Special Reserve in accordance with Article 17 of the Articles of Agreement, amounted to \$11,199,352. With respect to such amount, the Board of Directors, after due consideration, recommends that the Board of Governors adds \$14,600,000 to the Loan Loss Reserve and adds \$513,859,496 from Cumulative Revaluation Adjustments; and allocates \$123,660,144 to Ordinary Reserve; \$259,400,000 to the Asian Development Fund (ADF); \$60,000,000 to the Technical Assistance Special Fund; \$20,000,000 to the Asia Pacific Disaster Response Fund; \$15,000,000 to the Climate Change Fund; and \$10,000,000 to the Regional Cooperation and Integration Fund.

2. The net income from the ADF for the year ended 31 December 2016 amounted to \$122,137,715 excluding the effect of each of the following: accounting treatment of expensed grants and translation adjustment of currencies. Under the regulations governing the ADF, the net income of the ADF is required to be retained in the ADF, except that the Board of Governors may transfer some of the net income to be applied towards technical assistance grants. Owing to the need for further resources for grants, no such transfer is recommended by the Board of Directors.

3. A draft Resolution implementing the recommendation in paragraph 1 above is attached.

(DRAFT) RESOLUTION NO. ____

ALLOCATION OF NET INCOME

The Board of Governors

Having considered the Report of the Board of Directors on the allocation of the net income of ADB's ordinary capital resources and the Asian Development Fund for the year ended 31 December 2016

RESOLVES:

That, of the net loss of ADB from its ordinary capital resources for the year ended 31 December 2016 amounting to \$11,199,352, after appropriation of guarantee fees of \$18,074,113 to the Special Reserve,

- (a) \$14,600,000 representing the adjustment to the loan loss reserve as of 31 December 2016, be added from net income to the loan loss reserve;
- (b) \$513,859,496 representing the ASC 815/825 adjustments and the unrealized portion of net income from equity investments accounted for under the equity method, for the year ended 31 December 2016, be added from the Cumulative Revaluation Adjustments account to the net income;
- (c) \$123,660,144 be allocated to Ordinary Reserve;
- (d) \$259,400,000 be allocated to the Asian Development Fund;
- (e) \$60,000,000 be allocated to the Technical Assistance Special Fund;
- (f) \$20,000,000 be allocated to the Asia Pacific Disaster Response Fund;
- (g) \$15,000,000 be allocated to the Climate Change Fund; and
- (h) \$10,000,000 be allocated to the Regional Cooperation and Integration Fund.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

Document No. BG50-6
21 April 2017

BUDGET FOR 2017

REPORT OF THE BOARD OF DIRECTORS

I. ASIAN DEVELOPMENT BANK

1. A report on the 2016 budget of the Asian Development Bank (ADB) was submitted to the Board of Governors at the 49th Annual Meeting in May 2016.¹
2. Actual net internal administrative expenses (IAE) for 2016 totaled \$576.2 million (Appendix 1). The actual net IAE, after taking into account the carryover of \$12.7 million, totaled \$588.9 million (compared with the budget of \$635.6 million).
3. On 14 December 2016, the Board of Directors approved the net IAE budget of \$647.0 million for 2017, including a general contingency of 1% (\$6.5 million) and after deducting the estimated fee reimbursements of \$8.8 million from trust funds (Appendix 1). The 2017 net IAE budget consists of \$633.3 million for ADB, excluding (i) \$1.6 million for the Compliance Review Panel and the Office of the Compliance Review Panel (Appendix 2), and (ii) \$12.1 million for the Independent Evaluation Department (Appendix 3).
4. ADB's 2017 budget will support the delivery of the 2017 work program of \$15.8 billion of sovereign operations, \$2.9 billion of nonsovereign operations, and \$420 million of technical assistance, as well as other strategic and institutional priorities. ADB will (i) expand the scope and coverage of its operations in developing member countries classified as fragile and conflict-affected situations and Group A,² (ii) accelerate nonsovereign and public-private partnership operations, (iii) outpost more staff to field offices, and (iv) implement the second generation of procurement reforms. ADB plans to make the organization more resilient, mobile, and agile in 2017. Information technology (IT) reforms will improve efficiency and productivity, strengthen data quality, and reduce operational risks.
5. The four key cost drivers in the 2017 budget are (i) scaling up operations to meet strategic priorities such as nonsovereign operations, public-private partnerships, and operations in countries with fragile and conflict-affected situations and lagging areas; (ii) strengthening project and portfolio quality, and bolstering field office operations to support the action plan of the Midterm Review of Strategy 2020; (iii) building organizational resilience; and (iv) implementing IT reforms. Additional resource requirements are largely met through efficiency and cost-saving measures implemented across ADB such as staff optimization, IT

¹ ADB. 2016. *Report of the Board of Directors to the Board of Governors: Budget for 2016*. Manila.

² Group A countries are defined as countries having access to concessional assistance only, while Group B countries have access to both concessional and regular OCR assistance. Group C countries have access to regular OCR only.

efficiencies, budget management, business travel, and technical assistance reforms. Expenses for organizational resilience are projected to decline after 2017. IT reforms will require budget increases until 2020, after which ADB expects a decline in IT expenses as depreciation from capital expenditure decreases. IT investments will generate resource savings in future years from productivity gains and cost avoidance.

6. Appendix 4 provides a comparison of the 2017 work program with the actual results for 2016 and 2015.

7. Appendix 5 presents a distribution of operational expenses by department and office. Appendix 6 provides a comparison of operational expenses by program category.

8. In addition to the IAE budget, the 2017 budget includes an annual capital budget of \$9.7 million, which is provided mainly to (i) fund the cyclical capital expenditure for headquarters facilities and IT; and (ii) meet replacement and new requirements of field offices for vehicles, furniture, office equipment, and IT. The capital budget also funds safety- and security-related expenditures.

II. ASIAN DEVELOPMENT BANK INSTITUTE

9. The actual expenses of the ADB Institute (ADBI) for 2016 totaled \$12.8 million, representing a utilization rate of 82% of the budget of \$15.7 million (Appendix 7). The actual utilization consisted of \$4.1 million for program expenses and \$8.7 million for IAE.

10. On 14 December 2016, ADB's Board of Directors approved the 2017 budget of \$16.3 million for the ADB Institute, comprising \$5.3 million for program expenses and \$11.0 million for IAE.

11. The program expense budget of \$5.3 million consists of \$3.2 million for the research program and \$2.1 million for capacity building and training. The IAE budget of \$11.0 million includes a 5% general contingency of \$0.6 million (Appendix 8).

12. The program expense budget of \$5.3 million accounts for 32% of the ADB Institute budget. The program-related IAE budget totals \$6.2 million (38% of the total budget). These expenses include (i) staff costs; (ii) business travel, representation, and advisory council for research; and (iii) capacity building and training. The budget for program and program-related IAE totals \$11.5 million (71% of the total budget).

13. In addition to the IAE budget, the 2017 ADBI budget includes an annual capital budget of \$110,000 for upgrading the server system.

**ASIAN DEVELOPMENT BANK: INTERNAL ADMINISTRATIVE EXPENSES
COMPARISON OF 2017 BUDGET WITH 2016 BUDGET AND ACTUAL RESULTS**
(\$'000)

Item	2016		2017
	Budget	Actual	Budget
A. Board of Governors	2,197	2,072	2,187
B. Board of Directors	32,782	29,136	33,225
Offices of the Directors	18,407	16,069	18,502
Accountability Mechanism	2,733	2,353	2,638
Independent Evaluation	11,642	10,714	12,085
C. Operational Expenses	471,841	432,191	483,927
Salaries	243,793	227,989	251,065
Benefits	149,965	135,977	151,189
<i>Contribution to Staff Retirement Plan^a</i>	53,597	50,678	55,997
Staff development	7,500	6,983	7,500
Relocation	9,100	5,946	9,104
Consultants	27,437	27,181	29,564
Business travel	33,489	27,666	34,925
Representation	557	448	580
D. Administrative Expenses	123,648	108,633	129,926
Communications	10,028	7,553	8,477
Office occupancy	32,388	28,276	34,549
Library and subscription	5,542	5,389	5,794
Office supplies	1,806	1,364	1,565
Equipment, maintenance, and support	10,821	11,390	11,619
Contractual services	31,069	27,716	33,928
Insurance	6,388	5,848	7,540
Depreciation	23,336	20,401	25,110
Miscellaneous	2,270	697	1,344
Total Regular Programs	630,468	572,031	649,265
E. General Contingency	6,305	5,223	6,493
Gross IAE	636,773	577,255	655,758
F. Fee Reimbursements	(8,425)	(8,374)^b	(8,770)
G. Net IAE	628,348	568,881	646,988^c
Early Separation Program	7,276	7,276	...
H. Net IAE After ESP	635,624	576,157	646,988
I. Carryover of IAE Budget	...	12,712 ^d	...
J. Net IAE after Carryover and ESP	635,624	588,869	646,988
Externally Funded Program ^e	1,423	755	1,025

Memo Item	2016		2017
	Estimate	Actual	Estimate
Gross Administrative Expenses	644,049	584,531^f	655,758
Accounting Adjustments	114,264	73,780	114,052
Accrual for SRP	119,633	79,712	112,600
Accrual for PRGMIP	17,679	15,679	29,260
Loan origination cost ^g	(23,048)	(23,692)	(27,808)
Other adjustments ^h	...	2,081	...
Overall Administrative Expenses	758,313	658,310	769,810

... = not available or not calculated, () = negative, ESP = Early Separation Program, IAE = internal administrative expenses, PRGMIP = post-retirement group medical insurance plan, SRP = staff retirement plan.

Note: Numbers may not sum precisely because of rounding.

^a This excludes SRP contribution for the Board of Directors. The SRP budget for the Board of Directors is included under the Board of Directors budget

^b This amount reflects the estimated total expenses apportioned during the year for administering external grants excluding Japan trust funds.

^c Net IAE of \$647.0 million for 2017 includes \$12.1 million for the Independent Evaluation Department (IED) and \$1.6 million for the Compliance Review Panel and Office of the Compliance Review Panel.

^d In 2006, the Board of Directors approved the introduction of a budget carryover of up to 2% of the net IAE budget to the next year, beginning with the 2007 budget. Accordingly, \$12.7 million (about 2% of the 2016 net IAE budget) has been carried over to 2017.

^e Externally Funded Program includes (i) estimated sponsor-funded programs for staff and associated costs under Australia's Department of Foreign Affairs and Trade and the Government of the Federal Republic of Germany, and (ii) external grants for staff related costs under selected trust funds.

^f Refers to actual administrative expenses before adjusting for fee reimbursements.

^g Refers to administrative expenses related to loan origination. Accounting standards requires that a portion of the loan origination costs be deferred and amortized over the life of the loan. ADB defers 20 basis points of the amount of loans that become effective to represent the amount of loan origination costs that need to be deferred.

^h Refers to adjustments net of accrued resettlement and repatriation allowances and severance payments, costs for Afghanistan Guest House and Public Information Center and other miscellaneous items, and expenses of the Japan Special Fund.

**ASIAN DEVELOPMENT BANK:
COMPLIANCE REVIEW PANEL AND OFFICE OF THE COMPLIANCE REVIEW PANEL
COMPARISON OF 2017 BUDGET WITH 2016 BUDGET AND ACTUAL RESULTS
(\$'000)**

Item	2016		Budget 2017
	Budget	Actual	
Compliance Review Panel	899	863	909
Salaries	280	272	282
Benefits	134	137	137
Business travel	35	40	40
Administrative expenses	450	414	450
Office of the Compliance Review Panel	761	578	708
Salaries	298	290	273
Benefits	119	121	161
Relocation	59	17	0
Consultants	193	78	160
Business travel	57	60	100
Representation	7	7	1
Administrative expenses	29	5	14
Total	1,660	1,442	1,617

Note: Numbers may not sum precisely because of rounding.

**ASIAN DEVELOPMENT BANK:
INDEPENDENT EVALUATION DEPARTMENT
COMPARISON OF 2017 BUDGET WITH 2016 BUDGET AND ACTUAL RESULTS**
(\$'000)

Item	2016		Budget 2017
	Budget	Actual	
Salaries	5,535	5,352	5,790
Benefits	3,836	3,004	3,742
Consultants	1,400	1,721	1,540
Business travel	710	612	840
Representation	2	2	3
Administrative expenses	160	24	170
Total	11,642	10,714	12,085

Note: Numbers may not sum precisely because of rounding.

**ASIAN DEVELOPMENT BANK:
COMPARISON OF 2017 PROGRAM WITH ACTUAL RESULTS IN 2016 AND 2015**

Key Outputs	2015 Actual	2016 Midyear Estimate	2016 Actual	2017 Program
A. Lending and Financial Partnership Operations				
1. Project Processing for New Projects ^a				
Amount (\$ million)	16,288	17,680	17,462	18,715
Number of Approvals	121	158	145	179
Public Sector Operations				
Amount (\$ million)	13,662	15,080 ^b	14,960	15,815
Number of Approvals	97	127 ^c	119	145
Private Sector Operations				
Amount (\$ million) ^d	2,626	2,600	2,502	2,900
Number of Approvals	24 ^e	31	26	34
a. Policy-Based Lending				
Amount (\$ million)	2,810	2,827	3,065 ^f	3,724
Number of Approvals	16	15	22	22
b. Results-Based Lending				
Amount (\$ million)	1,114	1,491	516	700
Number of Approvals	4	6	4	2
2. Multitranche Financing Facility				
Amount (\$ million)	2,193	7,841	4,493 ^g	7,070
Number of Approvals	3	10	7	13
3. Portfolio Management (number)	825	878	868	947
Public sector	645 ^h	684 ^h	669 ^h	731
Private sector	180	194	199	216
4. Disbursement (\$ million)	12,348	12,128	12,489	12,800
Regular and Concessional OCR Loans	11,838	11,311	12,017	12,003
ADF Grants	503	617	463	554
Other grants ⁱ	7	201	9	243
5. Technical Assistance Operations				
Active TA projects (number)	965	901	897	861
New TA approvals (\$ million)	267	375	317	420
New TA approvals (number)	270	310	305	296
a. Transaction	61	170	167	143
b. Knowledge and Support	209	140	138	153
B. Knowledge Products and Services^j (number)	263	344	257	242
Operations departments	122	218	118	113
Non-operations departments	141	126	139	129
C. Direct Value Added Cofinancing Operations				
Investment projects (\$ million)	10,610	12,300	13,912	14,300
D. Country and Regional Strategies (number)				
Country Partnership Strategy	3	6	6	11
Regional Cooperation Strategy	1	1	1	0
Country and Regional Operations Business Plans	49	41	37	39

Item	2016			
	2015 Actual	Midyear Estimate	2016 Actual	2017 Program
E. Borrowings (\$ million)	18,948	20,600	20,602	30,500
F. Resources				
Authorized Staff Positions^k (number)	3,012	3,064	3,064	3,144
International staff	1,059	1,077	1,077	1,117
National and administrative staff	1,953	1,987	1,987	2,027
- National Staff	758	776	776	806
- Administrative Staff	1,195	1,211	1,211	1,221
Internal Administrative Expenses (\$ million)	539	628	576	647
G. Income (\$ million)	448	574	610	458
OCR ^l	368	468	488	486
ADF ^m	80	106	122	(28)

() = negative, ADF = Asian Development Fund, OCR = ordinary capital resources.

Notes:

1. Numbers may not sum precisely because of rounding.
2. Midyear estimates for OCR and ADF income for 2016 are based on financial projections as of 30 September 2016, and 2017 income figures are based on financial projections as of 31 December 2016.
- ^a 2015 approvals includes all project design facilities approved in 2015, which accounts for difference compared with figures in the Development Effectiveness Review 2016 Report, Statement of ADB's 2016 Operations, and the ADB Annual Report, 2016.
- ^b Figures include \$500 million unallocated OCR regional set-aside and \$360.98 million unallocated ADF subregional resources from Disaster Response Facility and Hard-Term Facility.
- ^c Includes 11 regional projects financed from the OCR regional set-aside (4 projects) and ADF subregional operations (8 projects), one of which is financed by both OCR regional set-aside and ADF subregional resources. A project financed by both ADF and OCR is counted as two while an ADF project with loan and a grant component is counted as one.
- ^d Excludes B loans.
- ^e Includes approval of the Financial Inclusion for Micro and Small Enterprise Growth in Georgia, which is counted as one project consisting three transactions.
- ^f Includes 3 Sector Development Program (SDP)-Program Loans amounting to \$80 million and \$500 million Countercyclical Support Facility to Azerbaijan.
- ^g In addition, \$5 million was mobilized to cofinance a Multitranches Financing Facility.
- ^h Excluding one sovereign project administered by Office of the General Counsel, one sovereign equity investment administered by Southeast Asia Department and one nonsovereign public sector loan project implemented by South Asia Department.
- ⁱ Includes operations funded by Other Special Funds such as Climate Change Fund (CCF) and Asia Pacific Disaster Response Fund (APDRF).
- ^j 2015 actual knowledge products and services were restated to reflect the new typology introduced in 2016. This appendix reports the five types of knowledge products: flagship, technical studies, working papers, policy briefs, and op-ed articles. Figures include knowledge and services not funded by TA.
- ^k Excludes the staff of the Office of the Compliance Review Panel, Independent Evaluation Department, and the director's advisors, and the support staff of the Board of Directors.
- ^l Represents allocable net income for OCR and is defined as operating income after adjustment to loan loss reserve requirements and appropriation of guarantee fees to the special reserve.
- ^m ADF income represents reported net income before (i) net realized gains and/or losses, (ii) unrealized gains and/or losses, and (iii) grants expenses.

Sources: Budget, Personnel, and Management Systems Department, Controller's Department, Office of Cofinancing Operations, Operations Services and Financial Management Department, Private Sector Operations Department, Sustainable Development and Climate Change Department, Strategy, Policy, and Review Department, and Treasury Department.

**ASIAN DEVELOPMENT BANK:
2017 BUDGET
DISTRIBUTION OF OPERATIONAL EXPENSES BY DEPARTMENT AND OFFICE
(\$'000)**

Department or Office	2016		2017		% Change over 2016 Budget	
	Actual	% of Total	Budget	Budget		% of Total
A. President	36,305	8	36,734	39,408	8	7
Offices of Management	9,425	2	10,143	10,179	2	0
Office of the Ombudsperson	448	0	537	541	0	1
Office of Public-Private Partnership Strategy and Policy Department	4,392	1	3,173	5,026	1	58
Office of the Auditor General	10,172	2	10,459	10,490	2	0
Office of Anticorruption and Integrity	4,060	1	4,187	4,204	1	0
Office of Anticorruption and Integrity	4,021	1	4,245	4,798	1	13
European Representative Office	1,465	0	1,380	1,520	0	10
Japanese Representative Office	1,182	0	1,287	1,301	0	1
North American Representative Office	1,138	0	1,323	1,348	0	2
B. Knowledge Management and Sustainable Development	50,244	12	55,236	55,600	11	1
Economic Research and Regional Cooperation Department	14,790	3	16,351	16,491	3	1
Department of External Relations	7,450	2	7,571	7,582	2	0
Sustainable Development and Climate Change Department	28,005	6	31,313	31,528	7	1
C. Operations 1	104,130	24	116,100	117,632	24	1
South Asia Department	51,640	12	59,055	59,387	12	1
Central and West Asia Department	52,489	12	57,045	58,245	12	2
D. Operations 2	106,708	25	117,365	118,147	24	1
East Asia Department	34,390	8	36,541	36,599	8	0
Southeast Asia Department	53,297	12	59,835	59,940	12	0
Pacific Department	19,021	4	20,989	21,608	4	3
E. Private Sector and Cofinancing Operations	30,487	7	32,750	36,169	7	10
Private Sector Operations Department	26,620	6	27,495	30,851	6	12
Office of Cofinancing Operations	3,867	1	5,255	5,318	1	1
F. Finance and Risk Management	31,780	7	33,499	34,786	7	4
Controller's Department	10,669	2	11,991	12,129	3	1
Treasury Department	12,265	3	12,341	12,469	3	1
Office of Risk Management	8,846	2	9,167	10,188	2	11
G. Administration and Corporate Management	71,011	16	77,068	79,032	16	3
Budget, Personnel and Management Systems Department	17,429	4	20,047	20,358	4	2
Operations Services and Financial Management Department	13,584	3	14,586	15,333	3	5
Office of Administrative Services	11,555	3	12,008	12,130	3	1
Office of the General Counsel	13,139	3	12,377	12,929	3	4
Office of Information Systems and Technology	10,859	3	13,645	13,711	3	0
Office of the Secretary	4,444	1	4,405	4,571	1	4
H. Unassigned	0	0	646	617	0	(4)
Subtotal	430,664	100	469,397	481,391	99	3
I. Young Professionals Program	1,527	0	2,443	2,536	1	4
Total	432,191	100	471,841	483,927	100	3

() = negative.

Note: Numbers may not sum precisely because of rounding.

**ASIAN DEVELOPMENT BANK:
2017 BUDGET AND 2016 ACTUAL RESULTS
COMPARISON OF OPERATIONAL EXPENSES BY PROGRAM CATEGORY
(\$'000)**

Program Category	Actual^a 2016	% of Total	Budget^a 2017	% of Total
Project administration	83,804	19	79,847	16
Project processing	69,756	16	100,932	21
Country and regional strategy and programming	22,643	5	24,401	5
Direct operational support	69,557	16	77,379	16
Knowledge management	45,350	10	47,092	10
Institutional support services	141,081	33	154,276	32
Total	432,191	100	483,927	100

Note: Numbers may not sum precisely because of rounding.

^a Includes staff costs (allocated based on staff time estimates provided by departments and offices) and other operational expenses.

**ASIAN DEVELOPMENT BANK INSTITUTE:
COMPARISON OF 2017 BUDGET WITH 2016 BUDGET AND ACTUAL RESULTS**
(\$'000)

Item	2016		Budget 2017
	Budget	Actual	
A. Program Expenses	5,285	4,100	5,285
Research	3,164	2,261	3,164
Capacity building and training	2,121	1,839	2,121
B. Internal Administrative Expenses	10,411	8,704	11,009
Advisory council	100	73	100
Staff costs	5,766	4,862	5,726
Business travel	350	377	400
Representation	3	2	3
Office occupancy	2,900	2,756	3,379
Depreciation	87	33	70
Office equipment	500	463	570
Contractual services	45	39	50
Library	62	23	62
Communications	60	46	60
Office supplies	19	15	19
Fire insurance	4	4	5
Bank charge	15	11	15
General contingency	500	0	550
Total Expenses	15,696	12,804	16,294

Note: Numbers may not sum precisely because of rounding.

**ASIAN DEVELOPMENT BANK INSTITUTE:
2017 BUDGET
DISTRIBUTION OF EXPENSES BY PROGRAM**
(\$'000)

Item	Research	Capacity Building and Training	Administration, Management and Coordination	<u>Total</u> Amount	%
A. Program Expenses	3,164	2,121	0	5,285	32
B. Program-Related Internal Administrative Expenses	1,832	2,051	2,346	6,229	38
Staff cost	1,697	1,907	2,122	5,726	35
Business travel, representation, and advisory council	135	144	224	503	3
C. Subtotal (A+B)	4,996	4,172	2,346	11,514	71
D. Administrative Expenses				4,230	26
E. Total Administrative Expenses Before General Contingency (B+D)				10,459	64
F. General Contingency				550	3
G. Total Administrative Expenses After General Contingency (E+F)				11,009	68
H. Total Expenses (A+G)				16,294	100

Note: Numbers may not sum precisely because of rounding.

STATUS OF THE FINANCIAL RESOURCES OF THE ASIAN DEVELOPMENT BANK

REPORT OF THE BOARD OF DIRECTORS

1. On 29 April 2009, the Board of Governors adopted the fifth general capital increase (GCI V) of the Asian Development Bank (ADB).¹ GCI V was concluded in January 2012 and generated subscriptions from 66 of 67 ADB members with total subscribed shares representing 99.7% of authorized shares. As of 31 December 2016, GCI V subscribed shares were valued at \$95.0 billion, bringing ADB's total subscribed capital to \$142.7 billion. The total value of paid-in shares from GCI V was estimated at \$3.4 billion.² As of 31 December 2016, 100% of contributions were received. Of this amount, 61.1% was paid in cash, 25.2% in promissory notes with fixed encashment schedules, and 13.7% in on-demand promissory notes. Table 1 shows the capital position of ADB as of 31 December 2016.

Table 1: Capital Position of the Asian Development Bank as of 31 December 2016
(\$ million)

Capital Subscription (A)	Paid-In Capital ^a (B)	Reserves ^b (C)	Total Paid-In Capital and Reserves (D = B + C)
142,699	4,925	12,289	17,214

^a The figure excludes all promissory notes (on-demand and with fixed encashment schedule) and includes the net notional amounts required to maintain value of currency holdings.

^b The sum of the balances in ordinary reserve, special reserve, loan loss reserve, surplus, cumulative revaluation adjustments account, net income after appropriation, and accumulated other comprehensive loss.

Source: ADB. 2017. *Management's Discussion and Analysis and Annual Financial Statements, 31 December 2016*. Manila.

2. ADB's total lending capacity is limited by three financial constraints: (i) the lending limitation in the Agreement Establishing the Asian Development Bank (the Charter)³ and lending limitation policy⁴ (ii) the borrowing limitation policy,⁵ and (iii) capital adequacy requirement.⁶

¹ ADB. 2009. *The Fifth General Capital Increase of the Asian Development Bank*. Manila.

² Based on the historical United States dollar–special drawing right exchange rate of \$1.20635.

³ ADB. 1966. *Agreement Establishing the Asian Development Bank*. Manila. Article 12.1 of the Charter provides that “[t]he total amount outstanding of loans, equity investments and guarantees made by the Bank in its ordinary operations shall not at any time exceed the total amount of its unimpaired subscribed capital, reserves and surplus included in its ordinary capital resources, exclusive of the special reserve provided for by Article 17 of this Agreement and other reserves not available for ordinary operations.”

⁴ ADB. 2008. *Review of the Asian Development Bank's Lending Limitation*. Manila and ADB. 2015. *Review of the Asian Development Bank's Equity Investment Limitation*. Manila. ADB's lending limitation policy limits its total amount of disbursed loans, disbursed equity investments and related prudential buffer, and the maximum amount that can be demanded from ADB under its guarantee portfolio to no more than the sum of ADB's unimpaired subscribed capital and reserves (including surplus but excluding special reserve).

3. Lending and borrowing headroom are important indicators of ADB's future lending and borrowing capacity. Table 2 shows the lending and borrowing headroom as of 31 December 2016, based on ADB's total lending and borrowing authority. ADB is expected to have sufficient lending and borrowing headroom over the medium term.

Table 2: Lending and Borrowing Headroom as of 31 December 2016
(\$ billion)

Headroom	Actual 2016
A. Lending Headroom (A1 – A2)	86.2
1. Lending authority	154.9
2. Outstanding loans (including other debt securities), callable guarantees, and equity investments and related prudential buffers	68.8
3. Utilization of lending authority (A2/A1)	44%
B. Borrowing Headroom (B1 – B2)	32.8
1. Borrowing authority	110.0
2. Outstanding borrowings	77.2
3. Utilization of borrowing authority (B2/B1)	70%

Notes:

1. Lending authority is the sum of the Asian Development Bank's unimpaired subscribed capital and reserves (including surplus but excluding special reserve).
2. Borrowing authority is the sum of callable of callable capital of nonborrowing members, paid-in capital, and reserves (including surplus and special reserve).

Source: Asian Development Bank.

4. To assess ADB's capital adequacy, a minimum ELR of 25.0% is considered until 2016 (prior to the merger) and a minimum ELR of 34.0% is considered from 2017 onwards (footnote 6). Table 3 lists the components of the ELR as of 31 December 2016.

Table 3: Equity-to-Loan Ratio Components as of 31 December 2016

Item	Usable Equity (\$ million)	Loans and Guarantees (\$ million)	ELR (%)
ELR Components	17,606	67,933	25.9

ELR = equity-to-loan ratio.

Notes:

1. Usable equity is the sum of usable paid-in capital, ordinary reserve, special reserve, and surplus.
2. Loans and guarantees is the sum of net outstanding loans and present value of guarantees (net of amounts guaranteed, insured, or reinsured by highly creditworthy counterparties), less cumulative loan loss reserves and provisions.
3. Based on notes 1 and 2 above, the numbers related to equity, loans, and guarantees may not reconcile with the numbers in Tables 1 and 2.

Source: Asian Development Bank.

⁵ ADB. 2008. *Review of the Asian Development Bank's Lending Limitation*. Manila. The policy limits gross outstanding borrowings to the sum of the callable capital of nonborrowing members, paid-in capital, and reserves (including surplus and special reserve).

⁶ ADB. 2008. *The Asian Development Bank's Long-Term Capital Adequacy Framework*. Manila (updated based on ADB. 2012. *Risk Management Report: Second Quarter 2012*. Manila) and ADB. 2017. *Review of the Asian Development Bank's Capital Adequacy Framework*. Manila.

5. In April 2015, ADB's Board of Governors approved the proposal to combine Asian Development Fund lending operations with the ordinary capital resources balance sheet.⁷ This combination is effective on 1 January 2017 and has substantially increased ADB's equity base to \$48.4 billion, while increasing the ELR from 25.9% at the end of 2016 to 51.0% on 1 January 2017 (Table 4).⁸ The expanded resources will allow ADB to increase support to poor DMCs, enhance its risk-bearing capacity and support for private sector operations, and strengthen its preparedness for any future economic crises or natural disasters. The ELR is projected to remain above the minimum ELR requirement in the medium term.

Table 4: Combined Ordinary Capital Resources and Asian Development Fund as of 1 January 2017

Item	ADF	OCR	Combined OCR-ADF
Usable Equity (\$ billion)	30.8	17.6	48.4
Loans and Guarantees (\$ billion)	27.0	67.9	95.0
Equity-to-Loan Ratio (%)	114.0	25.9	51.0

ADF = Asian Development Fund, OCR = ordinary capital resources.

Notes:

1. OCR assumed the undisbursed ADF loan balance of SDR6.3 billion (\$8.4 billion equivalent). Equity represents usable equity as considered for the equity-to-loan ratio.
2. Usable equity is the sum of usable paid-in capital, ordinary reserve, special reserve, and surplus.
3. Loans and guarantees is the sum of net outstanding loans and present value of guarantees (net of amounts guaranteed, insured, or reinsured by highly creditworthy counterparties), less cumulative loan loss reserves and provisions.
4. The numbers related to equity, loans, and guarantees may not reconcile with the numbers in Tables 1 and 2.

Source: Asian Development Bank.

6. The Board of Directors will continue to carefully monitor ADB's financial resources to ensure that ADB remains a relevant and responsive institution in the region, and that its resources are managed in the most effective and efficient manner.

⁷ ADB. 2015. *Enhancing ADB's Financial Capacity for Reducing Poverty in Asia and the Pacific*. Manila.

⁸ ADB. 2017. *Transfer of Asian Development Bank Loans and Other Assets to Ordinary Capital Resources*. Manila and Board of Governors' Resolution No. 387.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

Document No. BG50-8
21 April 2017

PLACE AND DATE OF FIFTY-SECOND ANNUAL MEETING (2019)

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors, noting with appreciation the kind invitation extended by the Government of Fiji to host the Fifty-Second Annual Meeting of the Board of Governors in 2019, recommends that the Fifty-Second Annual Meeting be held from 2 to 5 May 2019 in Nadi, with 4 and 5 May as official days.

A draft Resolution implementing the above recommendation follows.

(DRAFT) RESOLUTION NO.

PLACE AND DATE OF FIFTY-SECOND ANNUAL MEETING

THE BOARD OF GOVERNORS RESOLVES THAT:

The Fifty-Second Annual Meeting of the Board of Governors (2019) be held from 4 to 5 May 2019 in Nadi, Fiji.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

Document No. BG50-9
21 April 2017

REVIEW OF RULES AND REGULATIONS

REPORT OF THE BOARD OF DIRECTORS

ADOPTION OF THE ORDINARY OPERATIONS (CONCESSIONAL) LOAN REGULATIONS

AMENDMENTS TO THE (I) ORDINARY OPERATIONS LOAN REGULATIONS, (II) SPECIAL OPERATIONS GRANT REGULATIONS, AND (III) EXTERNALLY FINANCED GRANT REGULATIONS

1. The Board of Governors of the ADB approved on 29 April 2015 (i) the termination of the loan operations of the Asian Development Fund (ADF); (ii) the continuation of the ADF as a grants-only operation; and (iii) the transfer of ADF loans assets, assets originally set aside from ADB's ordinary capital resources (OCR), and other ADF assets to OCR, effective 1 January 2017. To implement those changes, the Board of Directors approved on 29 November 2016 (i) the adoption of the Ordinary Operations (Concessional) Loan Regulations for new concessional OCR loans; and (ii) conforming and editorial amendments to (a) the Ordinary Operations Loan Regulations; (b) the Special Operations Grant Regulations; and (c) the Externally Financed Grant Regulations.

2. The Ordinary Operations (Concessional) Loan Regulations set forth the terms and conditions applicable to new concessional OCR loans made by ADB from 1 January 2017. The Ordinary Operations (Concessional) Loan Regulations maintain the same terms and conditions for new concessional OCR loans as previously set forth in the Special Operations Loan Regulations (dated 1 January 2006). They also incorporate the following three main changes: (i) in addition to SDR, borrowers of new and other eligible concessional OCR loans will have the option to select the currency of loan liability from any single currency under ADB's London interbank offered rate (LIBOR)-based lending facility that is also a currency under the SDR basket, subject to confirmation of availability of such currency by ADB; (ii) a provision for the refund of withdrawn amounts in connection with ineligible expenditures and misprocurement; and (iii) a provision on the collaboration between ADB and its borrowers to ensure that projects adhere to ADB policies on anticorruption, core labor standards, environmental and social safeguards, gender, procurement and consulting services, and such other policy specified in the loan agreement.

3. The amendments to the Ordinary Operations Loan Regulations incorporate (i) the new provisions on refund of withdrawn amounts in connection with ineligible expenditures and on collaboration between ADB and its borrowers to ensure that projects adhere to ADB policies ; (ii) previous changes in ADB financial policies relating to ADB's LIBOR-based lending facility; and (iii) previous changes introduced in the Special Operations Loan Regulations (dated 1 January 2006) that were not reflected in the Ordinary Operations Loan Regulations.

4. The amendments to the Special Operations Grant Regulations incorporate (i) the new provisions on refund in connection with ineligible expenditures and on collaboration between ADB and its borrowers to ensure that projects adhere to ADB policies; and (ii) previous changes introduced in the Special Operations Loan Regulations (dated 1 January 2006) that were not reflected in the Special Operations Grant Regulations (dated 1 January 2005).

5. The amendments to the Externally Financed Grant Regulations incorporate the new provisions on refund in connection with ineligible expenditures and on collaboration between ADB and its borrowers to ensure that projects adhere to ADB policies.

6. The Ordinary Operations (Concessional) Loan Regulations, Ordinary Operations Loan Regulations, Special Operations Grant Regulations, and Externally Financed Grant Regulations are respectively attached hereto as Appendix 1, Appendix 2, Appendix 3 and Appendix 4.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

RESOLUTION NO. 388

ALLOCATION OF NET INCOME

The Board of Governors

Having considered the Report of the Board of Directors on the allocation of the net income of ADB's ordinary capital resources and the Asian Development Fund for the year ended 31 December 2016

RESOLVES:

That, of the net loss of ADB from its ordinary capital resources for the year ended 31 December 2016 amounting to \$11,199,352, after appropriation of guarantee fees of \$18,074,113 to the Special Reserve,

- (a) \$14,600,000 representing the adjustment to the loan loss reserve as of 31 December 2016, be added from net income to the loan loss reserve;
- (b) \$513,859,496 representing the ASC 815/825 adjustments and the unrealized portion of net income from equity investments accounted for under the equity method, for the year ended 31 December 2016, be added from the Cumulative Revaluation Adjustments account to the net income;
- (c) \$123,660,144 be allocated to Ordinary Reserve;
- (d) \$259,400,000 be allocated to the Asian Development Fund;
- (e) \$60,000,000 be allocated to the Technical Assistance Special Fund;
- (f) \$20,000,000 be allocated to the Asia Pacific Disaster Response Fund;
- (g) \$15,000,000 be allocated to the Climate Change Fund; and
- (h) \$10,000,000 be allocated to the Regional Cooperation and Integration Fund.

Adopted on 6 May 2017



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

RESOLUTION NO. 389

FINANCIAL STATEMENTS, MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND INDEPENDENT AUDITOR'S REPORTS

The Board of Governors

Having reviewed the Independent Auditor's Report on the Financial Statements and Management's Report on Internal Control over Financial Reporting of ADB for 2016

RESOLVES:

That the audited Financial Statements as contained in the Annual Report of ADB for 2016, which include separate financial statements for the operations of Special Funds, are approved.

Adopted on 6 May 2017



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

RESOLUTION NO. 390

PLACE AND DATE OF FIFTY-SECOND ANNUAL MEETING

THE BOARD OF GOVERNORS RESOLVES THAT:

The Fifty-Second Annual Meeting of the Board of Governors (2019) be held from 4 to 5 May 2019 in Nadi, Fiji.

Adopted on 6 May 2017



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GOVERNORS' STATEMENTS: ORDER OF SPEAKING

(as of 6 May 2017, Revision 3)

First Business Session

(Saturday, 6 May 2017, 2:30 p.m.–5:00 p.m.)

- Japan (Chair)
1. Korea, Republic of
 2. United States
 3. China, People's Republic of^a
 4. Australia
 5. India
 6. Indonesia
 7. Germany^a
 8. Canada
 9. Philippines
 10. Pacific developing member countries^b
 11. Nordic member countries^c
 12. Bangladesh
 13. France
 14. Malaysia
 15. Luxembourg
 16. Turkey
 17. Switzerland
 18. Taipei, China
 19. Azerbaijan
 20. Spain
 21. Nepal
 22. Georgia
 23. Netherlands
 24. Cambodia
 25. Uzbekistan^a

Second Business Session

(Sunday, 7 May 2017, 10:30 a.m.–12:00 p.m.)

1. Italy
2. Pakistan
3. Ireland
4. Afghanistan
5. Maldives
6. Portugal
7. Sri Lanka
8. Armenia

Note:

1. The following ADB members have indicated they will not deliver but will submit written statements: Austria; Belgium; Bhutan; Brunei Darussalam; Hong Kong, China; Kazakhstan; Kyrgyz Republic, Lao People's Democratic Republic; Myanmar; Mongolia; New Zealand; Singapore; Tajikistan; Thailand; Turkmenistan; United Kingdom; and Viet Nam.

^a With simultaneous interpretation.

^b Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu. A joint statement will be delivered by the Governor for Fiji.

^c Denmark, Finland, Norway, and Sweden. A joint statement will be delivered by the Governor for Denmark.

GOVERNORS' STATEMENTS





50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-054

AFGHANISTAN

M. Mustafa Mastoor, Alternate Governor

Mr. Chairman, President Nakao, Honorable Governors, Distinguished officials,
On behalf of the government of Afghanistan let me begin by thanking the government of Japan for the warm welcome and generous hospitality. It gives me and my delegation an enormous pleasure to be here in Yokohama on the occasion of the 50th Annual Meeting of ADB. Afghanistan and ADB relations have a long-standing and positive tradition as Afghanistan was the founding member of ADB. I am grateful to ADB for its generous support for the reconstruction and development of Afghanistan, which has contributed to achievements in the implementation of our joint development agenda.

I would also like to compliment President Nakao and his team for excellent preparations and arrangements for this Annual Meeting. Further, I would like to congratulate Mr. Nakao on his reelection as President of ADB for a further 5 years which began in November 2016. His leadership has proven to be very important for taking reforms forward and achieving developmental results in Asia and the Pacific.

Excellencies,

Last year in October, a large number of countries and international organizations attended the Brussels Conference on Afghanistan. The conference provided a platform for the government of Afghanistan to set out its vision and track record on reform. We presented in this conference the Afghanistan National Peace and Development Framework (ANPDF), which signals sustained political and financial support to Afghan peace, state-building and development. We appreciate that ADB, one of Afghanistan's most important international partners, confirmed its willingness to continue its support for Afghanistan in the years to come. In this regard, we welcome ADB's new pledge of \$878 million in grant made at the Conference.

The post-2014 era was a challenging time for Afghanistan following security, economic, and political transitions in the country. The Afghanistan National Unity government came to power in 2014 with a strong reform agenda. Since then, it has made significant progress on reforming the civil service, public service delivery, and enacting business friendly legislature frameworks.

Afghanistan witnessed significant achievements in 2016 in terms of regional integration, economic cooperation, and infrastructure development. In May, Afghanistan, Iran, and India signed the Chabahar port agreement. The arrival of first freight train in Afghanistan's Hairatan port from the People's Republic of China via Kazakhstan and Uzbekistan in November and inauguration of the Turkmen part of trilateral railway in Turkmenistan, which connected Afghanistan to an international railway network, were other significant steps in the right direction.

Further, the Salma Dam, which was inaugurated in June 2016 by Indian and Afghan leaders, was an important breakthrough in energy infrastructure development in Afghanistan in recent decades. In the same context, another important achievement was Afghanistan's formal admission to the World Trade Organization (WTO) in July 2016.

As a result of reforms to revenue collection and expenditure, the fiscal position has improved significantly. Revenue collection has significantly improved in the past two years after the abrupt decline in revenues in 2014. Revenues collected exceeded the IMF target by more than 23 percent in 2016. Also, the 2016 revenue represented a robust increase of more than 18 percent from that of 2015.

Given the above, I would like to reiterate that Afghanistan has achieved important progress on its way to an accountable, functioning, and increasingly sustainable state. However, the substantial challenges that Afghanistan is still facing require further efforts to safeguard and build on these joint achievements.

It is currently facing a lower economic growth, increasing insecurity that hamper private sector confidence, foreign direct investment, and overall public service delivery, which together contribute to higher poverty rates.

The impressive revenue increases of the past two years, even if augmented by future growth, will not be able to significantly reduce Afghanistan's long-term financing needs if current trends continue.

Afghanistan's economy has remained dependent on international aid since 2001. In this context, the Warsaw and Brussels conferences were crucial to ensure continued support until 2020. At these conferences, the development partners pledged grants to security of \$4.5 billion and development support of \$3.8 billion annually. We are thankful to our partners for the support.

Further, I would say that because of a contracting economy, intensifying insurgency, significant medium-term financial demand, the GDP growth in 2016 was only 2 percent. The forecast for GDP growth in 2017 is expected to accelerate slightly to 2.5 percent depending on political stability, security environment as well as that the planned continuation of development partners' firm support. In such a scenario, in order for the economy to transition to a sustainable path, in this Transformation decade, we require strong partnerships to make sure reforms take place and Afghanistan succeeds in its goal of achieving self-reliance.

At the political level, the effective re-launching of the peace process by way of the offer made to the opposing military groups to hold direct talks, as well as through electoral reform, a more active fight against corruption and the re-launching of the economy, which has been hit by a severe crisis leading to thousands of Afghans illegally emigrating to Europe, are all areas in which expectations are particularly high from the National Unity Government.

Excellencies

Securing continued high levels of donor financing is of vital importance for fiscal stability over the coming years. The support will allow the Afghan government to sustain the hard-won previous achievements and implement reforms. It is now our shared responsibility to ensure that assistance is used with ever increasing effectiveness to realize our shared goal of a secure, self-sufficient Afghanistan.

Here I would specifically mention stronger support of ADB which is one of the largest on-budget supporters of the infrastructure sector in Afghanistan with a grant financing of more than \$4.2 billion since 2002. Being a pioneer in infrastructure development, we believe that ADB is in a position not only to connect our region through investing in infrastructure but also bringing people from Asia and beyond closer which is key to address enormous challenges we all face in the 21st century in the spirit of connectivity and togetherness.

Specifically, we would like ADB's support on the following priority areas:

Private Sector Development

The creation of an enabling environment for the private sector is one of the most important growth strategies of the government. Presently, Afghanistan imports several times more than it exports. Small and medium size enterprises (SMEs) in Afghanistan have the potential to become an engine of the Afghan economy and create jobs. We would like ADB's support in this regard using its 50 years of experience.

Regional Projects' faster Implementation

Being an important driver of growth for Afghanistan, we would like to have more regional economic projects such as TAPI, CAREC, CASA 1000. However, in the meanwhile we stress upon the fast implementation of these project. We would like ADB's serious attention to play a vital role in the efficient implementation of the ongoing regional projects in which it is involved.

CAREC Strategy Review

We welcome ADB's taking the recent initiative of reviewing the CAREC strategy which was approved in 2011. The joint review provides an opportunity for Afghanistan and other related countries to provide substantial input into the process.

Excellencies,

We believe that a peaceful and developed Afghanistan is in the interest of our neighboring countries as well as the whole region. We call for their honest and sincere cooperation in this regard. We also strongly believe that the major economic projects across the region will aim to improve regional connectivity, enhance regional cooperation, and make an impact on peace in Afghanistan.

In conclusion, let me say that the responsibility for the future of Afghanistan is with Afghans and we will keep assuming that responsibility. However, your continued support will be very crucial in coming years in order that we continue to address the challenges that Afghanistan face.

Once again I thank the Government of Japan and ADB for organizing this Annual Meeting in the very beautiful city of Yokohama.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-048

ARMENIA

Vache Gabrielyan, Governor

Dear Chairman Aso,
Dear President Nakao,
Distinguished Governors and Delegates,
Ladies and Gentlemen,

It is my pleasure and privilege to address the 50th Annual Meeting of the Asian Development Bank and issue a statement on behalf of the Republic of Armenia. I would like to commend ADB's Management for organizing this meeting at such a high level and thank the people and the Government of Japan for their hospitality.

ADB annual meetings are the platforms that very accurately reflect the current developments, challenges and concerns of the member countries, and therefore, very often speeches at business forum echo each other. I would like to draw the attention of the delegates to some topics that in some shape or form have been reflected upon in this room yesterday.

To support the efforts of countries both navigating the strong headwinds that many developing economies are facing due to commodity market or regional developments, and managing the even tighter fiscal space, there is a need for broad-based capacity-building not only in the public, but also in the private sector.

Therefore, we would urge for much more active engagement of the bank with the private sector in three-pronged strategy:

1. Entering into more and varied commercial engagements with the private sector, including more public-private partnerships;
2. Structuring the loan-financed large public sector contracts so that together with efficiency and prudence they also stress the longer-term capacity building imperative for the local economy,
3. In both private and public sector projects directly addressing jobs and labor market issues from a longer-term perspective, with an eye for development of modern and skilled workforce that would be competitive and viable in the near future.

Development cannot happen without proper functioning of all institutions. We have to realize that local human and commercial capacity is often the neglected bottleneck in the larger institutional setup, and have to properly address the issue.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-028

AUSTRALIA

Concetta Fierravanti-Wells, Temporary Alternate Governor

I thank the Government of Japan for hosting the 50th Asian Development Bank (ADB) annual meeting.

It is my pleasure to be here today, representing Australia's Governor, the Treasurer, especially on such a momentous occasion as the ADB's 50th anniversary.

Over the past 50 years we have seen significant changes in the Asia Pacific region, with rapid economic growth across the region driving the global economy. The ADB has played a critical role in enabling and supporting this growth.

However, challenges to sustainable growth and development remain. The 2030 Agenda for Sustainable Development provides the framework to address these challenges. The ADB is well-placed to help meet these challenges in three priority areas.

First, building the productive capacity and efficiency of economies through enabling financing for high priority and high impact infrastructure projects.

Second, supporting countries' ongoing efforts to advance structural reform, strengthen governance, boost productivity and improve the mobilisation of domestic resources. The ADB's technical assistance has enabled significant reforms, and must remain a key priority. Well-designed policy-based loans can also play a role.

Third, assisting vulnerable countries to set up systems to predict and recover from natural disasters. The Asia-Pacific region is one of the most vulnerable to natural disasters and climate change and the ADB has an important role here.

Australia welcomes the ADB's continuing focus on building its internal capacity.

We welcome the increased resources allocated to the Pacific. We want a strong commitment from the ADB to effective in-country engagement and project implementation for these resources.

We welcome the ADB's Strategy 2030. This long-range thinking will ensure the ADB continues to make a substantial contribution to development outcomes in the region.

The ADB and other multilateral organisations, make a huge contribution to free trade, growth, and stability in our region. We urge the ADB to work closely with multilateral and regional forums including the G20 to improve cooperation, crowd in private sector funding, and make best use of its balance sheet.

The ADB has led the way in completing the merger of its Ordinary Capital Resources and Asian Development Fund, potentially boosting annual lending and grant approvals to \$20 billion by 2020.

Australia looks forward to working with the ADB as it continues to respond to emerging global and regional challenges.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-024

AUSTRIA

Elisabeth Gruber, Alternate Governor

Mr. Chairman, Mr. President, Distinguished Governors, Ladies and Gentlemen,

It is my great pleasure to address the 50th Annual Meeting of the Asian Development Bank in Yokohama. I would like to thank the Government of Japan and all organizers for the warm welcome and hospitality and for splendidly organising this historic event.

Mr. Chairman, let me make the following remarks:

50 Years of Development in Asia and the Pacific

Let me first congratulate you on the amazing achievement in economic and social development the Asian Development Bank (ADB) has fostered as a key player on the continent.

When the ADB was established, and Austria joined as a founding member, Asia was poor and it lacked resources to finance development. Half a century later, Asia has evolved into a dynamic growth center of the world. After the European Union, Asia—representing one third of the global GDP—is the second most important trading partner of Austria. So, the development of Asia has progressed into a true partnership of win-win situations.

Having said that, we are here today not only to celebrate, but also to discuss what still needs to be done.

Responding to Rising Inequality

According to the Asian Development Outlook, economic growth for the region as a whole is expected to be 5.7% in 2017 and 2018. Excluding the high-income economies, regional growth is estimated to reach even 6.3% in 2017 and 6.2% in 2018. Despite this solid growth and ADB data stating that by 2015 more than 95% of the population on the continent lived in middle-income economies, one of the main questions now is, how a largely middle-income region can build on its past success and makes sure that its growth is more evenly spread. Major risks for Asia's poor remain, as there are still large and persistent pockets of poverty in the region. So in short, the mandate of the Asian Development Bank to end poverty in Asia is far from being fulfilled. We agree with the Bank's analysis that with still over 1 billion people living on \$3.10 a

day or less, almost three-quarters of the world's underweight children, and about 600 million people who have no access to electricity and 1.7 billion who still lack improved sanitation, we have still a lot of work to do taking the new Sustainable Development Goals and COP21 as important and challenging guidance.

Austria strongly believes that the Asian Development Bank is the key player on the continent to ensure that growth is sustainable, benefits everyone and helps to reduce not only inequality, but also the root causes of social unrest and insecurity.

Whilst there is no single ideal policy mix for the pursuit of inclusive growth, a robust and tailor made inclusive-growth strategy for a given country should be both pro-labour and pro-business. One key factor for boosting both social inclusion and economic efficiency is a stronger focus on effective, accountable and transparent institutions, which are able to implement structural policy reforms and tap into the potential of fair and transparent domestic public resource mobilisation. The inequality debate focuses almost exclusively on augmenting the skill of labour and redistribution. For some countries, these may be among the most appropriate responses to widening the allocation of incomes. We think, however, that the enabling environment and the necessary infrastructure for real-economy business investments, international and regional trade and entrepreneurship are just as critical to a country's success in expanding employment, boosting wages, and widening asset ownership. These are central drivers of progress in promoting better living standards.

Strategy 2030

As we have embarked on the discussion of the future corporate strategy for ADB, Strategy 2030, let me provide a couple of suggestions.

Based on the international Agenda 2030 and given the many and different causes of poverty, Austria considers that it is now the right time to fine-tune ADB's multidimensional focus on poverty eradication and promoting prosperity as well as deepening inclusion, strengthening sustainability and tackling climate change.

We very much support and welcome President Nakao's vision that ADB should focus on high quality and tailor-made support to the countries in the region prioritizing poor and vulnerable countries and fragile and conflict affected situations. Given recent migration developments, we welcome that ADB implicitly aims to foster the root causes of insecurity and conflict as well as of economic migration.

In order to be able to deliver on these targets we think that ADB should remain focused on its core strength as an infrastructure project bank and on thematic areas where it has a comparative advantage. Furthermore, by taking into account that many challenges overlap in areas such as urbanisation, sustainable transport, water, sanitation, access to energy, education, rural development and food security, adequate project design has to be guided by a holistic approach in order to be able to efficiently deliver sustainable outcomes in sometimes fragile and difficult situations.

We support the idea that ADB aims to engage more with countries with regard to structural and sector reforms based on close policy dialogues which should—in particular, in times of crisis—be done in close coordination with other players active in this area e.g. IMF or World Bank. Fostering regulatory reforms and strengthening institutions in order to improve the business environment—leading to better domestic resource mobilisation—could in particular be a strong

focus in middle-income countries. This could help to fully unleash their potential for inclusive growth. In this respect, we would welcome initiatives by the ADB to provide assistance to countries to explore options for expanding their domestic resource base and strengthening their regulatory framework in order to reduce leakages from illicit flows. By expanding their resource base, countries could build up not only much needed accessible and equitable social security systems ranging from access to education, health and pension systems, but also increase their spending with regard to investment in research and development as well as disaster risk reduction. Having said that, we would, nonetheless, caution that ADB engages in too many thematic areas in the social sector as it risks not being able to focus on sustainable outcomes and efficient high quality delivery.

Last but not least, we welcome reforms underway to increase operational efficiency, including the recently adopted procurement reform and the envisaged scaling up of private sector operations. We hope that these reforms and initiatives will soon bear fruits.

ADB Lending

With the merger of OCR and ADF resources, ADB has expanded its financial capacity to provide significantly higher resources for lending operations. Against this background, we welcome ADB's total lending increase in 2016 by 18% reaching \$31.70 billion. Further, we would like to commend that private sector operations reached \$2.5 billion the second time in ADB's history. Nevertheless, we are looking forward that ADB uses its current expanded financial capacity as efficiently and targeted as possible focusing even more on fostering inclusive and sustainable growth.

Mr. Chairman, I wish you and all participants' successful deliberations and thank you for your attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-037

AZERBAIJAN

Samir Sharifov, Governor

Dear Mr.Chairman, President Nakao, Honorable Governors, Distinguished Delegates, Ladies and Gentlemen!

I am honored to represent Azerbaijan at this 50th Annual Meeting of the ADB Board of Governors, which is a truly historic landmark for the region and all member countries of the Bank. Allow me first to thank the host – the government and people of Japan for excellent arrangement of this jubilee annual meeting of the Board of Governors and warm hospitality that has been extended to all of us by the citizens of the beautiful city Yokohama.

As one of the founding members and the largest shareholder of the Bank, Japan has been making indispensable efforts during the past five decades to support the ADB in fulfilling its core mission of reducing poverty in Asia and the Pacific. Japan has been the top contributor of financial resources to trust funds, project co-financings and also devoted tremendous efforts in provision of knowledge services under ADB loans, grants, and technical assistance projects.

Today, while celebrating the 50th Anniversary, we would also like to appreciate contributions by other founding members, both regional and non regional, which have played an important role in shaping up the Bank, as we see it today, and transforming it into a strong multilateral financial institution.

Since the establishment, ADB has made truly pivotal contribution to the development of diverse economies of Asia and Pacific. During the past fifty years regional countries have witnessed a tremendous growth in their economies and an impressive decline in poverty. Rising from 12 percent of global GDP in the early 1960s to one-third today, Asia's global value added has been growing steadily. ADB has been in the forefront, mainly driving this growth through its loans, grants, knowledge sharing, and purposeful policy dialogue.

Azerbaijan had a privilege of joining ADB family back in 1999 and as many other regional member countries in a relatively short period of time graduated from low income to an upper middle income economy. We are pleased with the level of cooperation with the Bank and the degree of support extended to the development goals of Azerbaijan for the entire period of our membership. Infrastructure loans provided by ADB have been particularly instrumental in rehabilitation and upgrading crucial road, water supply, sanitation and irrigation as well as electric power distribution infrastructure of Azerbaijan. The loan portfolio has grown substantially for the last five years demonstrating on one side the growing development needs of Azerbaijan and on another side increased level of cooperation and successful rate of projects' implementation.

I would also like to take this opportunity to thank ADB for the support to the economic development of Azerbaijan that has always been consistent and moreover extended in a timely manner. In particular, I would like to underline the most recent countercyclical support facility extended to Azerbaijan to help respond to adverse developments and macroeconomic instability, which was caused by drastic decline of government revenues following the recent commodity price shock. Prompt measures taken by the government of Azerbaijan to address these imbalances quickly restored macroeconomic stability and expedited fundamental readjustment from predominantly oil and gas driven to non-oil based economy. We have also embarked on comprehensive set structural reforms that cover public financial management, monetary and exchange rate framework and financial sector regulation. We envisage working closely with the ADB on this endeavor in parallel with the targets set forth in the Country Partnership Strategy.

Dear Mr.Chairman,

Two years ago, during the 48th Annual Meetings in Baku we approved the ADF/OCR (Asian Development Funds/Ordinary Capital Resources) merger that would allow ADB to increase its financial capacity significantly. ADB also updated its concessional assistance policy, as well as the requirements for the use of crisis response instruments, such as countercyclical support facility, which are instrumental for the countries experiencing temporary and exogenous growth setbacks.

At the same time, while decades of rapid growth transformed developing Asia into a largely middle-income region, significant challenges remain. Still about 330 million people living in absolute poverty across Asia and the Pacific, lack of infrastructure conducive to economic growth and improvements in quality of life as well as other pressing challenges such as health, education, climate change and gender equality call for continued efforts to address these challenges.

In order to address these, ADB needs to continuously expand its financing capacity, while increasing operational effectiveness in parallel. More resource allocation is required for further development of critical physical infrastructure, such as the development of transit corridors and transport infrastructure as well as energy efficiency, social infrastructure such as health, education and social protection. ADB needs to become more efficient and much faster, with a view to minimize the time from project approval until contracting, which unfortunately in some instances still takes too long. There is also an immense need for more private sector support, as private sector development is the key engine of sustainable growth and poverty alleviation. I hope Strategy 2030 will address these challenges and identify unique strengths of ADB to overcome these obstacles.

To conclude, I would like to congratulate fellow Governors, President Nakao, Board of Directors, the management and all of the Bank's staff on this memorable anniversary and wish all every success on the path to deliver inclusive and environmentally sustainable economic growth and regional integration! Let me also reassure you of Azerbaijan's continuous support to the core objectives of the Bank going forward.

Thank you for your attention!



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-030

BANGLADESH

Abul Maal A Muhith, Governor

Mr. Chairman
Honorable Governors
President of ADB
Excellencies
Ladies and Gentlemen,

It gives me and my delegation great pleasure to be here in Yokohama for the 50th Annual Meeting of the Board of Governors of ADB. I wish to join my fellow Governors in thanking the Government of Japan for their generous hospitality and splendid arrangements in the historic port city of Yokohama.

I would like to begin by congratulating ADB for celebrating 50 years of development partnership in the region. Fifty years of continuous business by a regional Bank devoted to economic development of its members is no small a success but, of course, it has somewhat been dimmed by the earlier success of the World Bank. Any way, we are aware that the World Bank was a part of the settlement of the post-war global international sector. On this auspicious occasion I wish to convey my heartiest compliments to President Nakao for his dynamic leadership and the unrelenting efforts by his team ensuring ADB's substantive accomplishments in reducing poverty in Asia and the Pacific through promotion of inclusive economic growth, environmental sustainability and regional integration.

Distinguished Guests,

Please allow me to briefly touch upon the emerging global macro-economic scenario. Global economic growth is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade (*World Economic Outlook*). Worldwide economic growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. More widespread economic activities, expectations of more robust global demand, reduced deflationary pressures, and optimism in the financial markets are all positive for global development. But structural impediments to recovery and external risks that remain out of our grasp, especially over the medium term, remain important challenges.

Industrial economies are gathering growth momentum in 2017 and 2018. The Euro zone continues to strengthen, but its outlook is somewhat clouded by uncertainties such as that posed by Brexit. Meanwhile, Japan remains dependent on its ability to maintain export growth to continue its expansion. With some adjustments being done to balance capital accumulation and consumerism in both the People's Republic of China and India are back on a steady growth path. Growth picking up in two-thirds of economies in developing Asia, supported by higher external demand, rebounding global commodity prices, and domestic reforms, make the region the largest single contributor to global growth at 60% (Asian Development Outlook 2017 of ADB). Developing Asia continues to drive the global economy and South Asia remains the fastest growing of all sub-regions.

Amidst the talk of prosperity and growth, we must not forget that 1 in 10 people or nearly 800 million people in the world live with under \$1.90 a day (WB report: Poverty and Shared Prosperity). Half of the world's extreme poor now live in Sub-Saharan Africa, and another third live in South Asia. Unless we can foster faster global growth and reduce endemic inequality, we risk missing our SDG target of ending extreme poverty by 2030. To end poverty, we must make growth work for the poorest, and one of the surest ways to do that is to reduce unacceptable income disparity.

Bangladesh has been in the global spotlight for many of its remarkable achievements. Rapid poverty reduction is one of them. Bangladesh made impressive gains in reducing poverty level from more than 70 percent of its population in 1971, the year we became independent as a nation, to 56.7 percent in 1991-1992 to 23.4 percent in 2016. The level of inequality in incomes has also diminished at the same time. This has been a unique outcome not only in this region but also across the globe. In order to showcase achievements of Bangladesh in lifting millions of people out of poverty and share its lessons with other countries the World Bank chose it for observing the End Poverty Day in 2016. The event titled 'Learning from Bangladesh's journey toward ending poverty' recognized the country's highly successful efforts in ending extreme poverty.

Despite the on-going sluggishness and crisis in the global economy, the economic growth in Bangladesh is quite robust. The average GDP growth rate for the last ten years has been 6.24 percent. The growth in our economy has been facilitated by a set of positive indicators over the medium term including the current fiscal year, namely: momentum in private investment thanks to political stability, increased expenditure in infrastructure, increased domestic demand due to demand generation policy that has been accompanied by pay rise in government sector and increased exports due to accelerated economic recovery in the United States and Europe. We have been able to successfully break through the 6 plus percent growth ceiling. The GDP growth has been 7.1 percent in FY 2016 and is projected to be more than 7.2 percent for FY 2017.

On the socio-economic front, during the last few years, our position has further improved in terms of social indicators including levels of poverty, inequality, women empowerment, sanitation practices, maternal and child mortality, average life expectancy, population growth

and education. A remarkable progress is made with regard to equitable access in education. We have ensured almost 100 percent enrollment at the primary education level and have achieved gender parity both at primary and secondary education levels. Maternal and infant mortality rates have fallen to 1.9 and 3 per cent respectively. Average life expectancy has gone up to 71.6 years from 66.5 years in 2005. According to Human Development Report 2016, Bangladesh moved up three notches and ranked 139 out of 188 countries. The overall index value has gone up from 0.338 in 1980 and 0.468 in 2000 to 0.579 in 2015. I feel proud to mention here that these achievements have been possible due to good governance and dedication to public welfare under the exemplary leadership of our charismatic Prime Minister and a global development leader Sheikh Hasina.

Ladies and Gentlemen,

The Government of Bangladesh has embarked on the implementation of its Seventh Five Year Plan (FY 2016-20) with a view to accelerating growth and empowering citizens leading to realization of its Vision 2021 that was formulated encompassing the SDG targets along with relevant action plans. The instrument for the forward movement is education and knowledge based development strategy. It is ICT that is at the centre of future social and economic transformation. In 2008 while declaring the election manifest of her Party Sheikh Hasina challenged the youth of the nation to establish a Digital Bangladesh and the challenge was, in fact, taken up seriously. By 2020 the five year growth rate in this digital economy is expected to average a minimum of 7.5 percent so that the rate is 8 percent in 2020.

This rapid growth process, as it presently has been, will be in the first instance inclusive and next responsive and resilient to climate change and finally sustainable over the longer term. Bangladesh has been taking special care of social protection and that is why equity is an inherent part of its growth process. We believe that poverty will not exist in Bangladesh after 2024, only about 7/8 percent of the population (the disabled, mentally retarded and elderly and lonely women) will be under state care. This growth process, however, has to be accompanied by employment growth and rising labour productivity, both of which presently are lacking meaning thereby that we have still to work hard in these areas.

In the period from 2015 to 2020 we foresee an outlay of US \$398 billion for real sectors of which public and private sector shares will be 23 and 77 percent respectively. The share of external financing in the total outlay will be 9.6 percent. In 2020 we are targeting investment as a percentage of GDP to reach 34.4 percent. This will require creating a friendly investment climate by removing deficiencies in provision of infrastructure and services and attuning public sector policies and institutions for private investment. Our government is aware of bringing further reforms in various areas for promotion of private investment. Implementation of Annual Performance Agreement (APA), e-filing management, electronic Government Procurement (e-GP), second generation Citizens Charter and Right to Information Act are expected to improve transparency, accountability and the overall quality of governance in Bangladesh.

Bangladesh is now a lower-middle income country. Our target is to become an upper middle-income country by 2021 and a developed country by 2041 which require huge investments. While much of the additional resources will need to come from our national savings, there will also be a need for drawing on foreign funding sources. The increased requirement of foreign resources, especially investment, will present a challenge for Bangladesh during the transformation of the economy. We hope that the ADB and other development partners will join us as before to overcome those challenges and to make our journey from the present level to a higher trajectory of development.

Excellencies,

ADB's Strategy 2020 reaffirms both its vision of an Asia and Pacific free of poverty and its mission to help its developing member countries improve their living conditions and quality of life. ADB's unstinted support has proven to be instrumental in reducing poverty and improving the quality of life of the people of this region.

We understand that ADB has embarked on preparing a new corporate strategy, Strategy 2030, to sharpen its corporate directions in order to make tangible development impact in the poorest countries of the Asia-Pacific region. It is reassuring that the Strategy 2030 will be aligned with the Sustainable Development Goals and the new climate agreements reached in Paris in 2015. I want to be assured that that ADB's upcoming strategy will reflect the primacy of knowledge to meet development challenges being faced by the member countries. As usual we have higher expectations from the ADB to respond to country specific needs and situations. The call on the ADB is (a) for more resources and (b) for knowledge transfer.

Merger of ADF with OCR provides an opportunity to substantially increase ADB's lending capacity. ADB needs to scale up its operation to meet the growing demand for better infrastructure, public services and social welfare programs for its member countries. A recent report of ADB estimates that Developing Asia will need to invest US\$26 trillion during 2016 - 2030 or US \$1.7 trillion per year in infrastructure until 2030 to maintain its growth momentum, tackle poverty, and respond to climate change. Of the total climate-adjusted investment needs, US\$14.7 trillion will be for power and US\$8.4 trillion for transport. Investments in telecommunications will reach US \$2.3 trillion, with water and sanitation costs earmarked at US\$800 billion over the same period. ADB can play an important role in Asia through scaling up its operations and implementing large projects in infrastructure development.

ADB plays an important role through its Regional Cooperation and Integration (RCI) efforts for accelerating economic growth, reducing poverty and economic disparity, and rising productivity and employment. I would also like to congratulate ADB for launching the South Asia Sub-regional Economic Cooperation (SASEC) Vision Document in New Delhi on 3rd April, 2017 in the presence of the Finance Ministers of SASEC member countries including myself. The SASEC Vision not only defines the strategic objectives on South-Asian transport, trade facilitation and energy but also explores the potential of Economic Corridor Development. The SASEC platform is expected to accelerate sustainable and inclusive growth, build economic

resilience, and promote shared prosperity in the region. ADB has proved itself to be an effective development partner that is willing to hold hands of its clients as and when necessary and assist them with flexible and timely action. We need, indeed, a friend of this type in our march for progress and prosperity.

On operational issues of ADB, I think efficiency in project preparation and implementation, reduction in time delays and cost overruns, internal process reforms, procurement and contracting reforms, strengthening of resident missions through decentralization and greater delegation of power, are some key changes whose implementation can no longer be delayed. We request President Nakao to take proactive steps on operational issues

Ladies and Gentlemen,

Bangladesh attaches great importance to its crucial and time-tested partnership with the ADB. Twenty three percent of the development assistance of the country last year came from it. Bangladesh happens to be the fifth largest recipient of ADB assistance. We sincerely expect that our mutual and meaningful relationship will continue to grow further.

ADB recently launched its Country Partnership Strategy (CPS) 2016-2020 aligning it with the Seventh Five Year Plan (FY 2015-2020) of the Government. CPS aims to scale up lending to Bangladesh to US\$8 billion during 2016–2020 from US\$5 billion during 2011–2015. Projects to be implemented in this period will enhance infrastructure and human capital toward diversifying the economy, boost climate and disaster resilience, develop economic corridor, improve rural livelihoods, and strengthen regional trade links, especially for energy. ADB is playing an important role in supporting investments and reforms in key sectors like energy and power, transport, education, urban infrastructure, agriculture and natural resources of Bangladesh. ADB through the SASEC initiative played an important role in signing landmark BBIN (Bangladesh, Bhutan, India and Nepal) Motor Vehicle Agreement (MVA).

I would like to conclude by making two appeals: repeating my usual appeal for working together for the maintenance of standards and making the new appeal for transformation of assistance from goods and services to more of knowledge transfer.

Mr. Chairman, thank you for providing me the opportunity to share my thoughts. Thank you, ladies and gentlemen for your kind attention.

Joi Bangla, Joi Bangabandhu



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-007

BELGIUM

Ronald De Swert, Head of Delegation

Mr. Chairman of the Board of Governors
Mr. President of the Asian Development Bank
Fellow Governors
Ladies and Gentlemen

As the ADB celebrates its 50th anniversary Belgium is proud to have been associated from the very beginning to what looked then like a thrilling adventure and to be one of the founding members of one of the best international financial institutions. The recent survey concluding that the needs of the region in infrastructure is bigger than ever shows that our business model and our traditional priorities remain relevant, even if we have of course to take utmost care of the environmental and economic sustainability.

Last year we successfully concluded the transfer of the assets of the Asian Development Fund to the Bank and the first replenishment of the new grants-only ADF. We are now left to hope that everything keeps working as planned. The new major task ahead is the design of a new strategy for the next decade, called ADB 2030.

Belgium wishes to see this new strategy better reflect what ADB can reasonably expect to achieve over the next decade considering the likely evolution of the DMCs and of its own resources, both human and financial.

The macro-economic framework of the next decade should be updated to remain plausible. Will Asia remain the engine of world growth and will growth remain in the advanced economies? What would be the impact of the provision of stimuli by the governments to stimulate economic activity on deficit and indebtedness and on the ability of regional countries to take up new loans? All those questions will need to be addressed.

One can rejoice about the transfer of ADF assets to alleviate the constraints on OCR commitment capacity, but despite this initiative ADB assistance has decreased over the years in magnitude due to the strong regional growth. It should therefore still remain a small player in terms of volumes after this transfer and the role of ADB as leverage provider should be enhanced. This should be reflected in the new strategy and have an impact on the selection of the sectors in which to engage. We remain in favor of the priority to fewer, bigger projects and to the projects well advanced in their preparation – not to say shovel ready – in the middle and upper middle countries.

Managing expectations should be a major focus in the design of the strategy. The wrong impression that IFIs are “all things to all people” has lasted too long. The adoption of the sustainable development goals (SDG) has contributed to keep this impression vivid and to fuel impatience for the materialization of meaningful results with little consideration for the means available. One cannot therefore be satisfied again with a laundry list of priorities and academic explanations about the meaningful role ADB will play in dealing with each of the challenges the region will have to face. A more realistic scenario has to prevail.

An example of this can be provided with the role ADB is expected to play in the policy dialogue. As explained above the assistance of ADB in relative terms is decreasing over the years due to the growth of the economy of its recipients. In addition, one of the strategic objectives of ADB is to allocate 50% of its commitments to the private sector. This means that only 50% of ADB should remain available for the public sector. When arguing that ADB “has a seat on the policy table” (para 18.iv p.7), ADB should therefore make sure it can provide the right incentives to promote the policies it wishes or explain how it can achieve its goals in policy reforms without providing such incentives.

Since the magnitude of assistance has a major impact on the results one can expect to achieve, more attention should be given to the mobilization of resources, beyond the systematic wish to see the private sector systematically fill the gap.

In a previous replenishment of ADF we learned that for DMCs, when it was still making loans, ADF represented hardly more than 10% of total assistance to DMCs. In a similar vein, an interesting data would be the share of ADB in total capital inflows and government expenditure of each DMC, as well as how much money per capita a national budget and ADB assistance represent to illustrate the challenge ahead. Such statistics should be included at least in the annex of the strategy to remind what led to its contents to those who were not associated with its drafting. This kind of data would indeed help select those priorities where ADB assistance would have most impact and directly illustrate the link between resources and impact.

The gap between the challenges and the resources available is such that it is time to seriously deal with domestic resources mobilization, a priority since the 80s which received so far too little attention. In this respect the emerging middle class may still be too narrow and not wealthy enough to afford taxation like in advanced economies and they remain reluctant to pay more for services they still do not get. On the other hand, investors need various kinds of incentives and most consumers are too poor and cannot afford excise tax of VAT. The prospects of better tax revenue are far from reassuring: regional governments are seriously envisaging tax incentives for infrastructure financing and to attract foreign investment. It should raise serious concerns since this is a threat to sustainability of government action by reducing its resource base. In DMCs building an efficient and transparent business environment would do more to attract investors than reducing taxes.

In our advanced economies competition among members to attract investors has created a major imbalance in public national budgets due to the strategy of corporate tax optimization. As a result it is very difficult to rebalance taxation from labor to other items such as consumption or energy wastes, to make labor more attractive and keep or create jobs, or to promote new sustainable consumption behaviors. It is also reducing revenue and the capacity of governments to sustain their social programs (unemployment, health insurance, retirement), undermining solidarity and the social fabric and fueling individualism.

One cannot expect to build sustainable systems in DMCs without generating the volume of resources for that purpose. An example is the growing challenge of the elderly in the region. Aging Asia emerged as a theme 25 years ago without reaching the top of the agenda. ADB recently declared its intent to do something about the elderly threatened by poverty. However, due to the demographic transition, the Asian population has grown by almost a billion people in 25 years. Half of this growth occurred among the elderly due to the increase in life expectancy. This represents almost the population of the EU. What can be expected from ADB in this field since it will avail of 15-20 billion USD per year for its whole agenda, half of it for the private sector? What can be expected from the national governments? Who will get the blame for doing too little?

Finally ADB itself should wonder about its capacity to generate resources. How does it expect to generate income and equity in the coming years in a context of low or even negative interest rates? How will it generate enough income to sustain its activities and to contribute to the new ADF, since the member countries have little appetite for further contributions to grants, for a capital increase and for higher loan charges?

The adverse environment for financial investment except in equities has been weighing considerably on the capacity of ADB to generate income and grow its equity, while funding the ADF. In the meantime the size of the economies of the clients keeps growing faster than the volume of assistance ADB can provide, reducing the incentives to provide to promote the right set of policies for economic and social progress. The decision of ADB to stick to a 1 billion USD contribution to ADF and secure the discount of other donors has also taken its toll and might result in a pause of at least four years in the growth of the bank's equity and its ability to follow the client.

To generate income the options of ADB are limited. The bulk of the net income depends on the volume of liquidity and on the level of interest rates. Sovereign lending is designed like a non-profit activity where costs are covered by the pricing of loans. The latest discussion on an increase of loan charges to increase equity and tackle the lending constraint of OCR highlighted that borrowers are not keen on paying more to borrow more. The present level of market rates makes this an even more remote option.

On the income side the last option is the increase in private sector operations where loans are priced according to risks and the margins higher than on sovereign loans and where equity investment can generate capital gains. Since the private sector operations have been the main beneficiary of the merger, let us hope that the private sector department will be put in a position to increase its operations and the income prospects of the bank.

In the area of private sector promotion, except at the World Bank where IFC has been set up to deal with it, the other IFIs have created dedicated departments and subsidiaries. Since then they have always been struggling to reconcile their social dimension with the economic and financial constraints of private sector operations on the one hand, and the need to comply with one-size-fits-all rigid procedures and policies with the necessity to be flexible and fast in responding to the client's needs. It would be timely and opportune to have a closer look on the advantages of spinning off the private sector department with specific rules and procedures, a more adequate location and a specific human resources policy, including salaries and benefits. The ADB would have a tremendous advantage on other IFIs in such an initiative since unlike in the Inter-American Development Bank it might just consist in an exchange of shares. Such a spin-off would make a lot of sense. It would allow the subsidiary to design a more relevant set of policies and procedures and ADB to provide salaries and benefits specific to such activities different of the whole bank without seeing the former inflating the salaries of other staff for whom the market is paying less.

Another way to increase the income is to minimize the growth of expenditure but this has to be done with caution. Can ADB like commercial banks reduce expenditure to preserve profit margins? Yes and no. The activities of IFIs are labor intensive and the quality of the output requires a substantial involvement of staff in all steps of the project cycle. The weaker the counterpart, the longer the cycle and the heavier the involvement at each step. The need to give priority to the clients facing the most difficulties puts right away a limit on the magnitude of cost cutting. In addition, the requirements related to due diligence, such as the compliance with safeguards and the involvement of all stakeholders, increased the workload significantly. One can of course lighten up the bureaucratic aspects of the work but in the end some steps can be accelerated but not ignored. Delegating those tasks to local entities is still premature due to institutional weaknesses. Finally, ADB has always been cost conscious and one can quickly reach the flesh while trying to cut the fat. Some spending items are already minimized such as the travel budget while some other items have to increase such as decentralization and remuneration of local staff, for whom growth, inflation and skills scarcity push salaries up above average.

Another opportunity of cost reduction is to remain a financier of large scale projects and to stay involved with the same local partners: “fewer, bigger”. A growing share of our activities are small scale, custom made operations and ADB is dealing with more numerous one-time partners. This has an impact on the workload and the expenditure to keep complying with all the constraints and continuously train new counterparts not familiar with procedures. We are of the view that the bulk of ADB activities has to remain in large scale infrastructure and wholesale financing such as loans to local intermediaries for SME development and large infrastructure, or blanket financing of miscellaneous projects selected by a local partner, such as a ministry of transport. The effort to generate more resources from operations is due to the inability of shareholders to provide enough resources to allow ADB to grow with its clients. This inability has two consequences: on the one hand ADB has to generate its own equity by growing its income and, on the other hand, it has to focus its operations further and further on those having the most impact on its development indicators.

The cost of dealing with all of the priorities on the agenda is growing, meaning that each operation requires a growing volume of resources compared with similar operations in the past. An almost stagnating commitment capacity means that something in the agenda has to give in and that ADB needs to increase the leverage on its own resources. In terms of leverage, the promotion of good policies and institutions in the financial and public sectors would get a bigger multiplying effect than the search for partners project by project. The reform of the financial sector in Cambodia offers a good example of what can be achieved by removing the obstacles for local financing of local projects.

Infrastructure financing should remain high on the agenda but carefully designed policy reform financing should also be considered. New estimates show that the needs in investment in infrastructure are bigger than ever. The improvements in infrastructure give a boost to the economy and should not be given up. However the public sector is not always able to generate income to foot the bill of the construction and the additional burden of maintenance. Sustainability will get harder to tackle if we do not focus seriously on the generation and sound management of government revenue. This has been neglected too long in countries where revenue to GDP reaches at best 15%, which is much too low to build a key ingredient of sustainable development, i.e., a strong State able to fulfill all its obligations.

In the recent months ADB had to lend fast disbursing resources only to reduce the impact of a decrease in tax and exports revenue. This kind of bridge financing brought mixed results in the past in terms of development. The potential impact of ADB with such operations is further reduced by the decrease of the magnitude of its lending capacity compared with the size of the regional

economies. One can therefore raise doubts about its counter-cyclical potential and we should hence refocus this type of loans on issues where ADB funds and advice would have a meaningful impact and leverage local resources, such as in the modernization of public sector management, of tax systems and of local financial markets.

In December 2015 COP21 has successfully brought together all decision makers to act to save the planet from climate change. We are aware that a reduction in the consumption of fossil fuels will be a key parameter of success. We are also aware that with six billion dollars of annual commitments for climate-related operations the contribution of ADB will be somewhat modest but well-chosen projects can have a strong demonstrational impact. We also encourage ADB to use its policy-based loans to develop incentives for environmental solutions in its borrowing members.

To conclude, Mr. Chairman, let me seize the opportunity of this fiftieth anniversary to reiterate Belgium's commitment to ADB. Belgium keeps ADB achievements in highest regards and hopes it will successfully implement its internal reforms to remain the most efficient development partner of its donor member countries.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-013

BHUTAN

Dasho Penjore, Head of Delegation

Mr. Chairman, Mr. President, Fellow Governors, Ladies and Gentlemen.

It is indeed a great pleasure for me and my delegation to be here in Yokohama for the 50th Annual Meeting of the Board of Governors of the ADB. At the onset, I would like to convey the greetings from His Majesty the King, the Government and the people of Bhutan.

I would like to thank the Government of Japan for extending kind hospitality and warm welcome to me and my delegation. I also would like to express our sincere appreciation to President Nakao and ADB team for the excellent arrangement made for this Annual Meeting.

Excellencies, ladies and gentlemen, it is heartening to note that the global growth, currently estimated at 3.1% in 2016 is forecasted to grow at 3.4% and 3.6% in 2017 and 3.8 percent in 2018.

Bhutan's economic growth has improved from 3.1% in 2013 to 5.1% in 2014 and to 6.5% in 2015. It is estimated to accelerate at 6.4% in 2016 and is one of the fastest growing economies in South Asia. Given Bhutan's healthy macroeconomic environment, GDP is projected to grow at 7-9% in the medium term. With this the per capita income is estimated to increase at USD 2,857 in 2016 from USD 2,478 in 2015. The poverty rate has substantially declined to 12% in 2012 from 23.2% in 2007. Bhutan fortifies its commitment to further reduce poverty by setting the income poverty and multidimensional poverty targets to less than 5% and 10% respectively by 2018.

The decline in global fuel and commodity prices and the lower inflation in the region during the recent years have enabled Bhutan in containing inflation at modest level. At the end of 2016, Bhutan experienced a record low inflation at 3.2% compared to 4.6% in 2015. Now with steady increase in domestic price level and recovering global fuel and commodity prices, inflation in Bhutan is also expected to pick up in the near term. The overall unemployment rate in Bhutan had improved to 2.5% in 2015 from 2.9% in 2013. However, youth unemployment rate was high at 10.7% in 2015 which is about five times higher than the overall unemployment rate. Given the higher growth economic estimates and the implementation of various employment generation programs, youth employment is expected to increase in the near term.

On the external front, Bhutan is confronted with high current account deficits due to higher import of goods and services. The trade deficit is expected to widen from 20.8 % of GDP in FY 2014-15 to 25.4 % of GDP in FY 2015-16. The current account deficit remained high at 29.4% of GDP for FY 2015-16 compared to 28.3% of GDP in FY 2014-15 which is mainly on account of investment related imports such as hydropower constructions. With the near completion of several mega hydropower constructions, the current account is estimated to improve at 21.1% of GDP in FY 2016-17.

On the fiscal front, the FY 2014-15 ended with a surplus of 1.5% of GDP. However, during the fiscal year 2015-16, despite expansion of domestic revenue by 11.5%, due to full implementation current five-year plan, Government expenditure increased by 22.5% resulting fiscal deficit of 1.1% of GDP. The total public debt has grown up from 96% of GDP in FY 2014-15 to 113.0% in FY 2015-16 and it is expected to decline to 103.9% of GDP towards the end of the current financial year.

I would also like to complement President Nakao for his dynamic leadership and guiding ADB towards many reforms in a short span of time including the merger of ADF with OCR as it provides and extraordinary increase in ADB's lending capacity. Bhutan's partnership with ADB started in 1982 and we consider ADB a reliable and important partner for achieving our development priorities.

Mr. Chairman, ladies and gentlemen, since becoming member, Bhutan has received development support from ADB in sectors such as energy, finance, transport and urban development. ADB is currently Bhutan's largest multilateral development partner. ADB's assistance in the form of budgetary support has helped to improve the fiscal position and provide flexibility to respond to the changing priorities of the RGoB. I am also happy to report that all ongoing ADB funded projects and programs are progressing well. These projects and programs will be immense benefits to Bhutan's socio-economic development and in improving the living standards of Bhutanese people.

To conclude, I would like to once again express our appreciation and gratitude to President Nakao and ADB management for the continued support extended to the Royal Government and the people of Bhutan. We would like to wish success to President Nakao in carrying forward the reforms initiatives successfully.

I thank the Chairman and the distinguish delegates for this opportunity.

Thank you and Trashi Delek.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-009

BRUNEI DARUSSALAM

Abdul Rahman Ibrahim, Governor

Bismillah Hir Rahman Nir Rahim.

First and foremost, on behalf of the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam, let me express our sincere gratitude and appreciation to our host, the Government and people of Japan, for the warm hospitality and excellent arrangements of this meeting in this historic and dynamic city. I would also like to thank His Excellency Mr. Takehiko Nakao, the President of the ADB and his team for the excellent preparations for the meetings.

This year marks an important milestone for the ADB as it celebrates its golden jubilee. Let me congratulate President Nakao as well as previous ADB leaderships, the ADB staff and member countries for leading the ADB to where it is now. Since its establishment, the ADB has improved so many lives and communities, contributing to a better Asia, the Pacific, and the global community. Collectively, we have achieved a lot throughout the years and I believe this year's theme, "Building Together the Prosperity of Asia", sets the direction of our sail for years to come. Towards this endeavour, we would like to share some of our views in moving forward towards that direction.

First, to continue promoting inclusive development and sustainable growth. Over the past 50 years, the ADB has maintained its triple A (AAA) credit ratings and have mobilized resources of more than US\$250 billion in diverse sectors such as in infrastructure, education, agriculture and others. This, in some ways, has helped Asia to increase its contribution to global GDP, now to almost a third. That said, there are still millions that are trapped in the poverty cycle, making less than US\$2 per day and have no access to basic needs. We must continue to ensure that the benefits of growth and progress benefit all levels of the community especially in terms of access to education, health, sanitation and food. We are encouraged with what has been achieved by the ADB so far and would like to see the ADB scale up its support in these areas.

Second, embracing advancements in technological innovation. Technology has rapidly changed how we do things and we all experience these changes first-hand in our everyday lives. To fully realize the benefits of this coming wave of technological advancements, especially in enhancing the prosperity of the region, we see that the ADB can play an important role in facilitating and encouraging the adaptation of these advancements in member countries especially in areas that promotes growth and development of Micro, Small and Medium Enterprises (MSMEs). Such areas include soft infrastructure projects and digital platforms that can connect the MSMEs to the global markets as well as sources of information. This can help expedite their progress, hopefully, to one day become corporations that can contribute to a country's socio-economic development.

In relation to this, as part of ADB's ongoing knowledge sharing initiatives, we also see the opportunity for ADB to hold user friendly interactive courses as a platform to promote vibrant discussions online in real-time and with participants spread out across the globe. I am confident that these various platforms will generate innovative ideas and solutions that can improve the ADB as well as for member countries.

Third, maximising Public-Private Partnership (PPP) opportunities. As reported by the ADB, infrastructure needs in developing Asia and the Pacific will exceed US\$26 trillion through 2030. With the demand for infrastructure financing in the region far surpassing the supply, the ADB can play an important catalytic role. With the ADB's expertise and extensive networks, the ADB can facilitate the relationship between the governments and the private sector towards fulfilling the infrastructure needs of the region sustainably, as well as alleviating poverty. For countries with little to no experience in PPP, the ADB may provide assistance to formulate a regulatory and institutional framework in order to generate bankable projects for PPP and as a result, attract the interest of the private sector.

Lastly, let me commend the ADB for their efforts in preparing the "Road to 2030 Strategy", a strategic document to respond to the changes brought about by a rapidly evolving Asia and the Pacific. In particular, ADB's aspiration to work closely together with clients and partners, and be a centre for development and economic cooperation and for promoting stability in the region. I encourage the ADB to continue building and strengthening their internal capacity to ensure that the changing needs of the region is met, as well as towards achieving the focus areas of the Strategy, namely eliminating poverty, promoting prosperity, deepening inclusion, strengthening sustainability and building resilience.

Mr. Chairman,

With that, let me conclude by commending ADB's continuous initiatives under the able leadership of President Nakao, toward a more result-oriented organization, resulting in better project performance and management, as well as improved responsiveness to the needs and voices of all member countries.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-049

CAMBODIA

VONGSEY Vissoth, Alternate Governor

Mr. Chairman
President Nakao
Fellow Governors,
Ladies and Gentlemen

Let me start by congratulating the Asian Development Bank and all member countries for this golden anniversary! I would like to join fellow Governors in expressing our sincere appreciation to the Government of Japan and the people of Yokohama for hosting the 50th Annual Meeting of the ADB Board of Governors under the theme “Building Together the Prosperity of Asia.”

Ladies and Gentlemen

Over the past 50 years, developing Asia has significantly transformed itself with amazing growth and successful poverty reduction. Like fellow Governors, I applaud the ADB for its leadership role and priceless contributions in this historical accomplishment. I also wish to acknowledge and congratulate the President, his management team and staff for the good achievements made in 2016. From the successful ADF 12 replenishment, to the full implementation of ADF-OCR merger, to many other internal reform undertakings, ADB has demonstrated its strength and capability to scale up its operations and support Asia and Pacific to live up to the evolving challenges and aspirations of the region. Cambodia is grateful that ADB has consistently and unwaveringly stood by its side to support our cause in rebuilding our nation and sustaining our development. We look forward to an even greater partnership with the Bank in achieving our country goals, as well as building a vibrant and prosperous region in years ahead.

Ladies and Gentlemen

Despite our remarkable milestones in growth and poverty reduction, some main challenges still remain and new challenges emerge in Asia and Pacific. Poverty, social inclusion, inequality, sustainability and resilience, and regional integration are among those that confront us. In this context, I welcome ADB’s continued internal reforms and its strong partnerships with member countries and other stakeholders. They would empower ADB to be stronger, better, and faster to respond to increasingly middle-income Asia and Pacific on infrastructure needs, creating jobs opportunities, building inclusive societies, and creating healthier and sustainable natural environment. I also welcome the Bank’s proposed Framework for Strategy 2030 where ADB also has a central role to play in shaping the new direction of the region given changes in regional and global landscape, while not neglecting the capacity and needs of its member countries in making further progress on the wide-ranging and comprehensive mandate of the Sustainable Development Goals.

Ladies and Gentlemen

Taking this opportunity let me share with you some key highlights of the overall economic progress in Cambodia. Over the last two decades, Cambodia has achieved an impressive economic growth rate of 7.7% on average per annum. From 2000 to 2016, our GDP has grown almost 6 times from 3.7 billion dollars to around 20 billion dollars, and GDP per capita from 288 dollars to 1,300 dollars respectively. On the fiscal front, the domestic revenue has shown outstanding performance, increasing by over 10 times from approximately 350 million dollars to around 3,850 million dollars, or from 10% to 18% of GDP for the same period of time. Currently, domestic revenue can cover about 78% of total budget spending, and 1/3 of investment budget. Cambodia has also been commended for successfully maintaining its macroeconomic stability with improved key indicators in most areas. Inflation was at 3% in 2016; fiscal deficit at less than 3 % of GDP; gross international reserves enough to ensure 5.5 months of imports; while public debt level belongs to one of the lowest in the region at 32% of GDP in nominal term or 22% of GDP in NPV term and debt sustainability is rated as low risk to debt distress. In the meantime, poverty rate has been reduced from 53.4% in 2004 to 14% in 2014 and the inequality, which is measured by Gini Coefficient, has gone down from 0.38 to 0.29 for the same timeframe. With these achievements, Cambodia's country status was upgraded in 2015 from a low-income country to a lower-middle-income one. Furthermore, Cambodia is classified as one of the "Fastest Growing Economies in the world".

Going forward, despite increasing pressures of external risks and challenges, GDP growth is forecasted to remain robust at around 7.0 % for 2017 and in 2018, indicating that Cambodia is on the right growth path. Cambodia aims to achieve an upper middle income country status by 2030 by targeting an average growth of 7% during this period. Our emphasis is on making growth more inclusive, resilient and sustainable through cohesive and coordinated development strategies and plans that focus on macroeconomic stability, economic diversification, increased competitiveness and enhanced productivity through more investment in infrastructure connectivity, education quality improvement and skills development, improving regulatory environment, and reform of public sector management, development and promotion of Public Private Partnership, building social safety net, as well as strategic integration with the region. We believe that the effective and timely implementation of our Industrial Development Policy (IDP) will be instrumental to creating space and opportunities for long term sustainable and inclusive growth.

In closing, I thank President Nakao and his Management Team and Staff for the excellent arrangements for this Annual Meeting.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-016

CANADA

Celina Caesar-Chavannes, Temporary Alternate Governor

On behalf of Canada, I would like to thank the Government of Japan for hosting this year the 50th annual meeting of the Asian Development Bank (ADB).

Canada places great value on continued engagement with the Asia-Pacific region, and Canada views the ADB as a key multilateral development partner in fostering sustainable, green and inclusive economic growth throughout the region.

Since the creation of the ADB in 1966, the development landscape has been changing at a rapidly increasing pace, both globally and in the Asia-Pacific region more specifically.

In this context, we have welcomed the ongoing consultations towards a new long-term strategic framework for the ADB, Strategy 2030. We encourage a continued momentum on the Strategy, following consultations during 2016.

To remain relevant, the ADB needs to position itself as a leading player in addressing both the recurrent and emerging development challenges in the region, while making the greatest possible use of its existing resources.

The first of these challenges is tackling the last pockets of poverty as well as growing inequality –both within and between countries. Focusing on the poorest and most vulnerable countries and groups is a priority for Canada. We also believe that it must remain at the core of the ADB's work moving forward, including through the Asian Development Fund.

The ADB should strive not just to increase business volumes but also to design and implement quality projects with clear, positive, development impacts - particularly in highly complex or difficult environments.

Canada also believes strongly in the need to work with, and empower, local communities to achieve the Sustainable Development Goals.

Secondly, I would like to underline the crucial importance for both the ADB and the region to further bridge the gender gap by empowering women and girls. We need to foster their greater participation in the social, economic and political spheres – starting at the project design stage and aiming for ambitious gender equality targets and tangible results.

Canada believes that addressing the systemic barriers that women and girls face and providing them with the tools and opportunities to be powerful agents of change are paramount to the region's long-term prosperity.

As an organization, the ADB has made great strides to address gender issues. The Bank should further empower its staff, especially its female staff – in particular at the senior level where women remain underrepresented. My government made the headlines worldwide in 2015 when it achieved gender parity in its Cabinet of Ministers. The ADB can and must do more in this area. An organization is enriched and more effective when its leadership accurately represents the diversity of its members.

Last but not least, I would like to emphasize the challenge of climate change. Canada welcomes the ADB's commitment to double its annual climate financing by 2020. We look forward to seeing the new Climate Strategy, and to contributing to the strategic thinking necessary to maximize the impact of the ADB's climate financing – including towards broader development goals such as the economic empowerment of women and girls.

We strongly believe that the ADB should play a greater and more catalytic role in promoting clean energy and environmentally sustainable growth throughout the Asia-Pacific region. The ADB is a key stakeholder in efforts to ensure that the region as a whole moves further away from non-renewable energies to meet its COP21 commitments.

I am pleased to announce today that Canada is providing \$200 million to establish a second phase of the Canadian Climate Fund for the Private Sector in Asia at the ADB. The Fund is a tangible proof of Canada's commitment to global climate action, and our pledge to deliver \$2.65 billion in climate finance by 2020.

The Canadian Climate Fund has been an excellent example of the collaborative, innovative and productive partnership between Canada and the ADB. It highlights what can be achieved when we work together. The first phase of the Fund has played a key role in helping support private sector climate change mitigation and adaptation projects that would not have happened. Concessional finance helps mitigate investment risks and market uncertainties.

For example, in 2013 the Canadian Climate Fund helped finance the Sarulla Geothermal project, a 320 megawatt power facility in Indonesia that had been unable to secure fully commercial financing for a number of years. Canadian funding enabled the project to move forward to construction and operations. Now that it is proceeding, the project is expected to result in 1.3 million tons of emissions reductions a year and will create approximately 1,600 jobs, including jobs for women and local Indigenous people.

Given the significant global financing gap that remains to both address climate change and achieve Sustainable Development Goals, it is essential that the private sector plays a key role in the transition to a cleaner, more sustainable future. Building on the success of this experience, Canada's goals for the second phase of the Canadian Climate Fund will be to continue to push the envelope for innovative solutions, including through greater engagement by the private sector in adaptation efforts and a stronger focus on advancing women's economic empowerment.

The success of Canada's partnership with the ADB, and with other multilateral development bank partners, highlights the effectiveness of blended finance as a tool to both attract private

sector investment to developing countries and to disseminate technological knowledge and expertise.

In working to address these three challenges, it is crucial that the ADB builds on its real strengths and areas of expertise. The ADB needs to become more flexible and decentralized. It must explore further partnership opportunities.

Canada also believes that the Bank should use its existing resources to the fullest extent possible. Canada welcomes the actions taken by the ADB to use its capital more effectively and will continue to work with the Bank to explore options for further optimization of its balance sheet. We also encourage the ADB to expand its role as a catalyst of private capital, in particular to mobilize investment in emerging markets infrastructure. Canada sees value in multilateral development banks working together to achieve significantly more than could be achieved by working individually. We encourage the ADB to identify areas for further collaboration with other MDBs.

To conclude, I would like to reiterate Canada's steadfast commitment to the ADB as it turns 50. The Bank's positive development impact on the region is far-reaching. Canada looks forward to further deepening our constructive engagement with the Bank in the 50 years to come



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-050

PEOPLE'S REPUBLIC OF CHINA
Xiao Jie, Governor

Honorable Deputy Prime Minister Taro Aso,
ADB President Takehiko Nakao,
Dear colleagues,
Ladies and gentlemen,

I am very delighted to attend ADB's 50th Annual Meeting in Yokohama. First of all, I would like to thank the Japanese Government and ADB for the kind hospitality.

Asia, once suffering from severe poverty and hunger, has experienced the most rapid economic growth and shown the greatest potential for development in the world in the past 50 years. As one of the most important institutions dedicated to poverty reduction and development in Asia, ADB, bearing its mission in mind, adhering to the principle of multilateralism, and committed to mobilizing resources for development, has made energetic contributions to infrastructure construction, regional connectivity, and inclusive development in Asia.

At present, the world economy is still in deep adjustment, and economic globalization has suffered a setback. The income gap and the gap between the North and South are getting more pronounced. Asia, home to over half of the world's population, still has over 300 million people living in poverty. Asia's development still has a long way to go.

We expect ADB to play a positive role in promoting the shared prosperity in Asia. In this connection, I would like to offer 4 proposals:

First, continue to move forward the process of economic globalization and enable the Asian economies to share the benefits of globalization. Asia's rapid development also reflects its gradual integration into economic globalization. ADB plays a positive role in this process. Attainment of common prosperity in Asia requires the efforts of all the Asian countries. By following the general trend and taking into account their respective national conditions, the Asian countries need to choose the path and pace of integration into economic globalization, and better adapt to and participate in the economic globalization. I hope that ADB can assist different economies, different social classes and different groups of people to share the benefits of globalization.

Second, further the regional cooperation in scope and in depth, and strongly support the Belt and Road Initiative. The Programs initiated by ADB, such as the Greater Mekong Subregion, the Central Asia Regional Economic Cooperation and so on, are well received and welcomed by the participating parties. In 2013, People's Republic of China President Xi Jinping proposed the important initiative of co-building the Belt and Road. ADB's work on regional cooperation is largely aligned with the Initiative. The People's Republic of China hopes that ADB can take advantage of its comparative strengths to continue to support regional cooperation and connectivity in Asia, strengthen the synergy of development strategies, and promote Asian regional cooperation in scope and in depth.

Third, clearly identify its strategic positioning, and deepen comprehensive cooperation with middle income countries. Asia's poor population is mainly concentrated in middle income countries, Asia's economic growth is mainly driven by middle income countries, and an increasing number of ADB's clients are middle income countries. The middle income countries are practitioners and source of experience of poverty reduction and development, and important contributors to the global economic growth. Meanwhile, these countries are still faced with many challenges such as removing institutional obstacles and achieving sustainable development. I hope that ADB can clearly define its mission and strategic positioning, deepen its comprehensive cooperation with middle income countries while strengthening its support to low income clients.

Fourth, make full use of the internal and external resources and support innovation-driven development. In recent years, ADB optimized its balance sheet and largely scaled up its lending capacity through the merger of ADF and OCR. I hope that ADB can make full use of the internal and external resources, further support innovation-driven development, and promote innovation of development concept, mechanisms, and technology. Moreover, to promote common prosperity in Asia, ADB needs to summarize, disseminate, and share the experience of development in Asia, and put more emphasis on South-South cooperation and tripartite/quadrupartite cooperation.

Dear colleagues,

The People's Republic of China and ADB have established a comprehensive, wide-ranging, equal and mutually-beneficial partnership since China joined ADB in 1986. The People's Republic of China is willing to continue its all-round cooperation with ADB to promote poverty reduction and prosperity in Asia. I am confident that Asia will have a brighter future.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-040

FRANCE

Cyril Rousseau, Head of Delegation

Mr. Chairman of the Board of Governors,

President Nakao,

Honorable Governors,

Distinguished guests,

Let me start by extending my deepest thanks to the Japanese government and the city and the people of Yokohama for the excellent hosting and warm welcome.

2017 is a pivotal year for the Asian Development Bank (ADB). Its fiftieth anniversary provides an opportunity to reflect on its role and define a strategy for the years ahead, by taking into account the changes that have taken place over the past half century in the development landscape of Asia.

This new strategy should build upon ADB's competitive advantages that have made the bank a key development partner throughout Asia.

Since its foundation, ADB has helped many countries in their path to reduce poverty: as part of long term strategies, as well as responses to various emergency situations.

From ASEAN countries to the People's Republic of China and India, Asia's development has been very much linked to infrastructure and connectivity, and ADB often supported their building, through its technical expertise and lending.

More recently, ADB has also contributed to help countries in post-conflict or political crises, like Afghanistan or Myanmar, as well as to rebuild areas affected by natural disasters, such as Nepal after the earthquake.

Whatever the context, ADB managed to remain focused on its core business, quality infrastructure project financing, and developed considerable expertise.

As a result, ADB is an ideal place to foster regional cooperation both through its projects and through policy dialogue. In this perspective, we expect a lot from ADB subregional initiatives like those dedicated to Mekong and Central Asia to promote the emergence and implementation of best regional practices

There are successes and achievements to celebrate in a continent where so many people have been lifted out of poverty. But there are still challenges ahead regarding poverty reduction, post-conflict settlements and disaster risk management in Asia.

To address them, ADB should continue to focus first and foremost on the areas where it can have the most impact: that is to say on project financing in the poorest and most fragile countries in the region.

To address them, ADB should continue innovating. Innovate to adapt its toolset, innovate to optimize its resources, including through pricing differentiation, innovate to always improve its efficiency.

In the current macroeconomic context, ADB can also play an active part in smoothing shocks, as it did over the Asian crisis in the end of the 90s, when it created its countercyclical support facility. Such support can be efficient, provided it is brought in full coordination with the International Monetary Fund. Indeed, coordination between international financial institutions is key to maximize their impact on borrowing countries.

In this respect, France calls upon the ADB, the IMF and all IFIs to implement the Principles on effective cooperation with the IMF, which were adopted by G20 Ministers of Finance in Baden-Baden last March. Strategy 2030 should include a strong coordination & partnership framework with IFIs, with other multilateral and bilateral development partners, with regional institutions, with civil societies organizations, with knowledge centers, with private sector, so that ADB can tap into their collective technical and financial resources to provide its clients with the best solutions and to make the most efficient use of its own balance sheet.

Despite the cyclical slowdown the region is currently facing, Asia has been and remains a model of economic graduation. In Asian middle income countries, ADB should focus on where its value-added lies: by providing technical assistance and policy dialogue rather than large financing increasingly available elsewhere on increasingly deeper capital markets, and also by increasing its support to fight climate change.

In this perspective, France wants to commend ADB's leadership on the road to the Paris agreement: ADB was the first MDB to announce ambitious targets, aiming to double the proportion of climate finance in its approvals. We know expect the bank to deliver its commitment, in order to pave the way for the implementation of the agreement.

Overall, France is confident in ADB's capacity, both financial and technical, to tackle the upcoming decade's development challenges in Asia. France is fully committed to build on its successful partnership with the Bank, as a shareholder, as a donor and as a development partner, and trusts that its staff, led by President Nakao, will deliver on our common goals for the development of Asia.

Thank you Mr. Chairman.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-019

GEORGIA

Dimitry Kumsishvili, Governor

Esteemed President Takehiko Nakao
Honorable Heads of Delegations,
Honorable Ministers, Distinguished Delegates,
Ladies and Gentlemen

It is an honor and genuine pleasure to be attending the 50th Annual Meeting of the Asian Development Bank (ADB) as well as a wide range of seminars and events that foster dialogue, partnership and knowledge sharing. At the same time, on behalf of the delegation of Georgia, I would like to extend my heartfelt gratitude to the Government of Japan for the excellent organization of the event and very warm hospitality!

Established in 1966, ADB in December last year marked 50 years of development partnership in the region. Please allow me to sincerely congratulate the Bank on this great achievement.

The Bank is a strong contributor to economic development and poverty reduction across the region of Asia and Pacific, and it has achieved a lot with its member states on the path of poverty reduction through inclusive growth. Georgia, as one of the developing member states is grateful, but also proud to be a part of this. Despite the region's many successes, it remains home to a large share of the world's poor: Yet, approvals of ADB loans, grants, technical assistance, and co-financing have been growing steadily over the years as development needs in the region continue to rise. Ability to respond to these needs in such a meaningful manner is no small feat.

I would like to welcome Bank's regional development programs supporting regional integration through infra-connectivity, trade, and finance. ADB can become an even more important player in supporting regional cooperation and integration. It can further help countries to communicate and trade without barriers. Regional cooperation and integration is very important for enhancing better and more inclusive growth locally, regionally and globally.

CAREC is a good example how Central Asian and neighboring countries can realize their huge potential in an increasingly integrated Eurasia through building economic corridors which link markets, ideas and people. Achieving CAREC's long term vision - good neighbors, good partners and good prospects – needs appropriate network of roads and other important types of infrastructure such as power and ICT.

In this respect ADB is very well positioned to lead this process. ADB can and should promote, as well as support countries in boosting enabling reforms. Development of modern infrastructure, well thought-through policies, and strong institutions in the Economic Corridors will provide strong push to growth. Improved connectivity together with transparent and trustworthy environment will inevitably lead to larger cross-border trade and investment.

Georgia is keen to increase its participation in the development of Economic Corridors and is ready to contribute to this process to the best of its abilities.

We, on our part, have put Georgia on the path of reestablishing itself as a major trade and transit hub for our immediate region, but also as one of the key links between Europe and Asia. Being located right on the cross-roads and having easy land, maritime and air access, we are investing heavily in developing modern transport and energy infrastructure that can serve the intra- and inter-regional trade and transit. In this regard, one of the most important projects we are implementing in Georgia is the East-West highway. It will bring significant increase in our transit capacity, as well as cost savings for its users. ADB is one of the lead partner of the Government of Georgia in this Project.

Next to the strategic location on the shortest route connecting Asia with Europe, we have also worked hard to develop business-friendly environment and put our economy on the track of stable growth.

Georgia embraces international free trade. We have Deep and Comprehensive Free Trade Agreement with the EU. The Free Trade Agreement with the People's Republic of China, will come into force in coming weeks. FTAs are in place with CIS countries and Turkey. These trade regimes open to the business established in Georgia barrier-free access to the markets of 2.3 billion consumers. Georgia is also one of the lowest tax burden countries with a very simple tax structure, and streamlined regulations for businesses. Our simple and again streamlined customs procedures are closely aligned with international best practice.

In 2017 year doing Business ranking Georgia takes 16th place in the world. The index of economic freedom of the Heritage Foundation ranks Georgia 13th. The Rule of Law Index published under the World Justice Project in 2016 ranks Georgia as the leader country in the Eastern Europe and Central Asia. While many indexes rank Georgia's performance high in a variety of areas we are not going to rest on the past successes and are committed to further our reforms.

At the end, I would like to once again state that we are very pleased to have ADB as a very strong partner on our development journey. Our experience with ADB has very clearly shown that projects realized with ADB's help do deliver economic and development impact. And key to this is not only financing but also the chance to share with each other lessons of success, but also failure.

Thank You!



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-022

GERMANY

Hans-Joachim Fuchtel, Governor

President Nakao, Fellow Governors, Ladies and Gentlemen,

In Germany, we have a saying: At 50, you do not become older – you become better! I think this is also true for the Asian Development Bank. My congratulations on its anniversary!

50 years ago, when the Asian Development Bank was established, Asia was still a developing continent. At the time, more than half of Asia's two billion people were living in absolute poverty.

Today, most of the continent's countries are middle-income or industrialized countries. They are a driving force for growth and development throughout the region. The share of poor people has been more than halved, even though Asia's population has since more than doubled. ADB has contributed significantly to this through its work. Let me express my sincere thanks for that.

ADB has given impressive proof that it is not resting on its laurels. The OCR-ADF merger significantly increased its lending volume and, thus, its potential impact. It is important that this increase does not result in a lowering of social and environmental standards. A race to the top, not to the bottom should be the aim. The SDGs need to become the guiding principle of the new strategy.

It is moreover clear that ADB's business model has to change. With an estimated 1.7 trillion US dollars a year to meet infrastructure investment needs in Asia, it will not be enough in the future for ADB to finance infrastructure but, rather, it will have to use its money to mobilize private capital. After all, the challenges cannot be met with development funding alone. In this context, Germany expects the ADB to present a private sector strategy still this year.

After all, insurance companies, pension funds and sovereign wealth funds currently hold assets of 120 trillion dollars. If we managed to channel just part of this money into environmentally and socially sustainable development, we would have achieved a great deal.

ADB wants to double its climate finance by 2020, bringing it to six billion dollars. This is the kind of action we need. We want ADB to assist its borrowing members in implementing their nationally determined contributions (NDCs) – by providing finance, but also through a political dialogue with partners on how to reform the regulatory framework, e.g. for renewable energy.

At the ADB Annual Meeting in Frankfurt in 2016, we provided impetus to such efforts by launching a climate action initiative with ADB. The fund in question, ACliFF (Asia-Pacific Climate Finance Fund), is also open for other donors and will be presented this afternoon at a side event. We want ACliFF to make private investment in climate projects more attractive and to help provide climate risk insurance for more people in Asia. Germany will contribute 30 million USD (subject to parliamentary approval).

But there is another reason why the private sector plays an important role in finding answers to my two questions: companies from industrialized countries such as Germany that use advanced technology to build bridges, power stations and water and sanitation systems can contribute significantly towards making economic growth in Asia sustainable. I greatly welcome ADB's readiness to learn from such innovative companies from all over the world and to make them part of the effort to provide improved infrastructure for better public services in Asia. This is also reflected in the Bank's new procurement framework.

For this focus of ADB to become sustainable and have a systemic impact, ADB needs to invest in education. Germany has offered ADB to share its knowledge and experience on the "dual" vocational training system with the Bank. We will pilot a new initiative to combine vocational training with the Bank's infrastructure projects. Thus, every euro invested will have a double impact: for sustainable infrastructure and for well-trained people who have good opportunities in the job market.

In closing, I would like to thank the Government of Japan and the Bank for the excellent organization of the Annual Meeting and for the hospitality extended to us.

Thank you very much.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-004

HONG KONG, CHINA
Paul M.P. Chan, Governor

I would like to thank the Government of Japan for hosting the 50th Annual Meeting of the Asian Development Bank (ADB), and the Management and staff of ADB for the excellent arrangements of the event. I would also like to send my warmest congratulations to ADB on its significant achievements over the past fifty years in reducing poverty and improving the quality of life in the Asia and Pacific region.

According to the latest issue of the Asian Development Outlook, developing Asia¹ continues to be the key growth engine, accounting for more than 60% of global growth. Despite the Global Financial Crisis, developing Asia still managed to maintain an average growth of over 6.9% per year in the last ten years.

The critical role played by the ADB in fueling the rapid economic growth in Asia and the Pacific is unquestionable. Over the years, the ADB has provided over US\$250 billion in developmental assistance to the region. Nevertheless, despite the considerable development over the years, the work on poverty reduction is far from complete. More than three million people still live on less than US\$1.90 a day in Asia and the Pacific, and the region today continues to face daunting challenges. There are also significant uncertainties surrounding the external environment. Greater efforts are needed to strengthen our resilience to keep growth and development sustainable. To achieve this, investment in infrastructure is essential in raising productivity and tackling bottlenecks for longer-term economic development.

The ADB has long pointed out the substantial infrastructure development needs in the region. In its latest study, the Bank estimates that developing Asia would need to invest US\$1.7 trillion annually in infrastructure until 2030 to maintain growth momentum, reduce poverty, and address climate change. This means doubling our annual investment in infrastructure in the coming years. Filling this infrastructure financing gap requires tremendous efforts and thinking outside the box.

The innovative move by the ADB to combine Asian Development Fund (ADF) resources with the ADB's ordinary capital resources, which took effect this year, was certainly a move in the right

¹ Developing Asia refers to ADB's "developing members," which currently comprises 45 economies in Asia and the Pacific.

direction. The move has significantly enhanced the Bank's lending capabilities through making better use of market-based finance. We are already beginning to observe results through increased loan approvals and disbursements. We look forward to ADB's continued efforts in enhancing efficiency and making the most use of its expanded resources.

At the same time, tackling the infrastructure needs in the region requires concerted and coordinated efforts. No one can do this alone. Governments, multilateral banks, and the private sector need to collaborate strategically and financially to support infrastructure development. As the ADB develops its new long-term strategy, "Strategy 2030", we hope the ADB will continue to strengthen its leadership in regional cooperation and partnership with key development stakeholders across the region.

In July 2016, the Hong Kong Monetary Authority established the Infrastructure Financing Facilitation Office (IFFO) to provide a platform for key stakeholders to work together to facilitate infrastructure investments and their financing. ADB has joined IFFO as one of the partners since its launch and the two have been working together in facilitating infrastructure investment and financing in the region through sharing experience, building capacity and exploring new opportunities with key stakeholders in multiple IFFO events. Today, we are pleased to share that the number of IFFO's partners has grown to 63, including organisations from the People's Republic of China; Hong Kong, China; and elsewhere around the world. With the support from ADB and other key stakeholders, we hope IFFO will continue to play a valuable role in facilitating more efficient and sustainable infrastructure investment flows to fill the substantial infrastructure gap in the region.

Leveraging on our status as an international financial and business centre, Hong Kong, China looks forward to contributing to the Bank's important work in achieving inclusive, sustainable, and resilient development in the region.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-0036

INDIA

Arun Jaitley, Governor

Chair of the Board of Governors', His Excellency, Mr. Taro Aso,
Distinguished members of the ADB Board of Governors',
President Nakao and the ADB Board of Directors,
Heads of Delegations,
Ladies and Gentlemen.

At the outset, let me express my sincere gratitude to the Government and people of Japan for the warm welcome and hospitality extended to us.

ADB has completed 50 years in serving the people of Asia-Pacific region. Let me congratulate all stakeholders of ADB on this occasion.

It is an occasion to look back and carefully assess our achievements and what more needs to be done. Eliminating poverty from Asia-Pacific region is the vowed objective of ADB. In addition to sectors like energy, urban development and transportation, we need to focus more on affordable renewable energy. In the area of urban development, especially in the sector of drinking water and sanitation, the major challenges remain in the realm of user charges and financial sustainability of urban bodies. The Bank needs to promote models that will focus on these challenges.

In almost all the developing member countries, a vast majority of the rural populace depends on agriculture and other allied activities. There is a need for greater focus on climate resilient agriculture, better farm production technologies, improved value chain management and creation of better marketing infrastructure for the farm produce. ADB also needs to focus more on social infrastructure like health and education.

This is also an occasion to look at processes and procedures. I am happy to say that, to a large extent, the Bank has kept its processes and procedures upto date with the demands of the time. However more can be done to keep pace with the aspirations of the people. For instance, time required to approve a proposal as well as the time lag between approval and disbursement of loans can be further reduced. I am sure you all would agree that speed is what will keep ADB ahead of others.

In this context, I would strongly urge the Bank to setup a regional hub in New Delhi for South Asia region so that a majority of the proposals could be processed there speedily. Such hubs could be established in other regions too.

Many countries in the region have very good systems for social and environmental safeguards with a robust legal and regulatory framework. For quite some time, we have been requesting ADB to adopt Country Systems in this regard. I am very happy to note that ADB has recently adopted this in the case of Power Grid Corporation of India. While I wholeheartedly welcome this move, let me stress that we need to adopt Country Systems quickly rather than being contented with adoption of Agency System. This will help reduce delays in the run-up to project approvals to a great extent.

With the merger of Asian Development Fund (ADF) and Ordinary Capital Resources (OCR) with effect from 1st January 2017, ADB's envelope of available resources has grown bigger. More resources could be made available for Regional Cooperation and Integration (RCI) initiative of the Bank. I am happy to say that as part of RCI initiative, last month, the vision document of SASEC, that is, South Asia Subregional Economic Cooperation, was launched in New Delhi in the presence of Finance Ministers of the region.

I hope the new vision document 'Strategy 2030', which the Bank is preparing, would include the measures that I and other esteemed colleagues have suggested during these deliberations.

Mr Chairman, I conclude my speech on a very optimistic note with the hope that ADB would scale greater heights in the years to come. I assure you of all round cooperation from India.

Thank You.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-55

INDONESIA

Sri Mulyani Indrawati, Governor

**Chairman of the Board of Governors Taro Aso,
His Excellency President Takehiko Nakao,
Excellencies, Fellow Governors,
Distinguished Guests, Ladies and Gentlemen,**

It is my pleasure to join you all in Yokohama for the 50th Annual Meeting of the Asian Development Bank. On behalf of the Government of Indonesia, I extend my appreciation to the Government and People of Japan for their warm welcome and excellent hospitality in hosting this important gathering.

I would like to congratulate ADB for reaching its 50th year of operation and its achievement in supporting the Asia region in its effort to reduce poverty, strengthening regional cooperation through their financial support, promoting good policies and sharing knowledge.

Improving Asian Capacity to Support the Global Economy

This year of 2017 marks the 20th years since the Asia Financial Crisis. It was a period where some countries in East Asia were badly hit by the financial crisis and raised fears of its potential contagious effect to the global economy. The cause and consequences of these crisis provided valuable lesson to East Asian countries and beyond. While Macroeconomic policy is important to create necessary condition to support growth and progress, they are adequate. Asian countries learned that good governance, effective financial regulation and supervision are critical to sustain the progress. Corruption is also the most important culprits of the weakening of the economy because it destroying trust and confidence, widening inequality, as well as complicating the speed and effectiveness of crisis resolution.

The Asian regional recovers relatively quick and robust from the crisis. Countries adopted macroeconomic reform with fiscal prudence, independence and credible monetary policy, and strengthening financial supervision. Structural reforms were introduced to improve governance, increasing accountability, transparency, improve competition and reducing bureaucracy and regulatory hurdles for investments.

Today, Asia and the Pacific region has been the main engine of growth for the global economy for the last several years. Developing Asia has transformed itself to a higher income region. According to the latest ADB's report, Developing Asia is expected to remain broadly positive in the next three years. This outlook is mostly driven by robust domestic demands, increasing investment and a gradual recovery in the global economy. The region is forecasted to expand by 5.7% in 2017 and 2018. Poverty reduction in the region is showing a declining trend due to

sustained growth and rising labor incomes, but we need to continue vigilant with the risks in the form of rising inequality. However, the transition to a high-income group will depend on how we invest to maintain productivity growth through: innovation, human capital, and infrastructure. We also need supportive institutions, policies, and macroeconomic stability to achieve sustained economic growth further. Government role is critical to make sure that they are supporting and facilitating this transformation process to high income and not to be the part of the problems.

At the same time, we must also be aware that we are still prone to some risks. Stagnant global growth, protectionist pressures, risk of financial market disruptions, rapid credit expansion in several East Asian countries and heightened policy uncertainty will overshadow our efforts to attain higher and better quality of growth.

To address these risks, policy makers should continue to focus on sound and effective macroeconomic management supporting by sustainable fiscal policy. We need to continue reforming our policy and institution to promote investment and addressing inefficiency and inequality. As a premier multilateral bank in Asia-Pacific, I urge ADB to play a stronger role to assist members through financial support, provide technical assistance, grants and equity investments that promote socio-economic development. ADB should always be responsive to the member countries' priorities and concerns and to actively be involved in creating a better environment for trade and investment in Asia and the Pacific, promote regional collaboration, as well providing flexibility to support member countries with variety of suitable modalities.

Indonesia supports ADB to incorporate the Sustainable Development Goals (SDGs) and Climate Change actions, including adopting the Paris Agreement, into its new ADB's long-term strategy. Vulnerable economies need assistance to build resilience and adaptation. ADB should actively supports and provide more resource allocation to the member countries on how to build their capacity to deal with climate change and natural disasters.

Future of Economic Openness and Global Partnership for Inclusive and sustainable Development

We have witnessed that free trade has been the key "essence" for the economic success in Asia in reducing poverty. And for Asia to continue growing, it is very important to keep this free trade and investment regime. Open markets, trade, division of labor have worked extremely well for poorer countries. It created deep concern that the finance ministers and central bank governors from the G20 countries in their Baden-Baden Communiqué dropped their pledge to keep global trade free and open. The recent development of increasing protectionism in several developed countries has been alarming. ADB and its member countries should continue to fight against protectionism and unfair competition, so we could build the momentum of progress on reducing poverty and addressing inequality within the region and globally.

ADB should pay more attention to people who are not benefiting as much as others from globalization. A coherent, committed and coordinated policy action among member countries is also needed to simultaneously raise growth rates, improve inclusiveness and sharing prosperity.

Enhancing partnership with member countries and promoting regional cooperation and integration (RCI)

On behalf of the Government of Indonesia, I am committed to strengthen partnership among the ADB's member countries, to increase the effectiveness and sustained impact of ADB's operations to reduce poverty, increase growth, and strengthen the global economic stability. Member countries should also work more closely to help alleviate poverty and address development challenges. ADB should further encourage and facilitate South-South Cooperation and other RCI initiatives. Indonesia will be pleased to continue working with the ADB and its member countries and providing its support to this important agenda.

Furthermore, member countries should continue to work together with ADB to achieve ADB's goal articulated in the ADB Strategy 2020, which reaffirms both ADB's vision of an Asia and Pacific free of poverty and mission to help its developing member countries improve their living conditions and quality of life. With only three years remaining of implementation, we must work harder to finish what we have started to achieve, the goals that what we have set.

We support ADB new strategy to transform ADB to be stronger, better, and faster development bank in helping its developing member countries in addressing the current emerging challenges in Asia and the Pacific, including climate change, inequality, gender, infrastructure gap, aging and young population.

Last year, Indonesia returned as a donor to the Asian Development Fund (ADF) at the ADF-12 replenishment meeting in Germany. Indonesia also already contributed to the ADB Institute Special Fund (ADBI SF). All these commitments provide evidence of our strong commitment to support ADB's mission and vision.

Improving project performance

To continue relevant as a multilateral development bank, ADB management and staff should be able to recruit and retain professional, skilled and competent staffs. The ADB should improve knowledge management to understand and respond better towards the clients' needs.

We welcome the decision to merger the OCR and ADF operation that significantly enhance the ADB's capital levels that enable to increase lending by as much as 40 percent. We support further reform to shorten procurement process, improve project implementation, delegate decision to the field, and increase the scale of private sector operations.

ADB should also maintain or even improve its financial instruments, including policy-based lending, results-based lending and project lending and knowledge procedures. ADB should continue to innovate in how to combine public and private resources effectively through knowledge management and deployment. Policy-Based Lending (PBL) has helped many countries to design and implement important strategic reforms. This reform needs to be maintained in order to allow ADB to respond effectively to the clients' needs.

The implementation of key reforms on procurement, pensions, and IT system should be a priority agenda for the Bank in order to provide the best operation system. It is my recommendation to ADB to continue its internal reform to achieve real better and faster operation in providing support and assistance to member countries. In that regard, more efficient, effective and governance of the Bank going forward should accompany the innovation its pursues.

Indonesia's latest development

Amid low commodity prices, weakness of international trade, and uncertainty of global economic policy coordination, Indonesia continues to show high economic growth, at the level of 5.02% in 2016. This is supported by low level of inflation, high domestic consumption, and diversification of the industry composition.

As Indonesia is always committed to build green economy with related to the climate finance issue, I would like to share with you that we are now on in the process of mapping the need, capability and structure of the environmental data on the national scale. We have already issued a roadmap for sustainable finance in Indonesia to support our efforts to bring economic and environmental sustainability interests together. Indonesia has rationalized and significantly phased-out inefficient fossil fuel subsidies and creating more space in the budget to optimize government spending.

Indonesia conducts budget reform process to create credible, productive, and realistic budget in order to support sustainable and inclusive economic objective, while maintaining for fiscal deficit. Now, infrastructure spending has doubled since the reforms. Basic service spending, such as on education and health, have also markedly increased. The reforms have also provided opportunities to accelerate the renewable energy and biofuel implementation.

To increase the government part for financing, President Joko Widodo has cited higher tax revenues as the key to boost infrastructure spending and growth. One main strategy is to increase our national tax ratio, which in 2016 was only 10.6 percent of the GDP. In that regard, I am happy to share with you that by March 2017 Indonesia has just completed one of the world's most successful tax amnesty programs, with at least 965,000 taxpayers declaring more than \$350 billion of assets so far. This program is aimed at collecting more tax revenues, which will be allocated to finance key infrastructure projects. In addition to boosting infrastructure spending through this program, the government has issued a policy for mandatory allocation of at least 25% of central government transfers to the region for infrastructure development.

Indonesian Government also has adopted a series of policies and strategies aimed at increasing investments in infrastructure, providing ease in doing businesses and promoting exports. These strategies include; maintaining economic stability to promote strong business and investment climate, simplifying licensing and investment procedures, harmonizing investment regulations between central and local government and improving the role of SOEs and private sectors in infrastructure development. These comprehensive reforms will provide more certainty to business and investors.

However, as an emerging market economy with rapid development, Indonesia still faces many challenges, among others high rate of poverty and inequality. The issue of inclusiveness is also increasingly important given rising inequalities across and within countries. Without addressing the issue of inequality, growth will not be sustainable.

Therefore, the Government of Indonesia continues to work hard to achieve well-targeted and inclusive economy by preserving a prudent fiscal policy and to pursue high and sustainable growth with emphasis on maintaining budget discipline and public debt management. Indonesia also focuses to achieve inclusive economic growth and poverty reduction through infrastructure development and investment climate improvements. Infrastructure could overcome inequality through connectivity. However, government needs support from multilateral partners as well as private sector to finance infrastructure development as the government budget could only cover

for about 41.3 percent. In this regard, ADB is expected to offer beyond classic aid and program aims at promoting inclusive growth and job creation.

The ADB's support in the implementation of PPP scheme in Indonesia as a financing alternative is highly desirable in order to accelerate infrastructure development. In 2016, ADB provided USD2.65 billion financial assistance to Indonesia. In line with the government's priority, most of the ADB-supported projects were on infrastructure, fiscal and public expenditure management, and support for government reforms of the investment environment and support for policy reforms to tackle inequality. During President Nakao's visit to Indonesia last year, he reiterated the ADB's commitment to provide more financial and technical assistance in 2017 and plans to invest in key sectors through its private sector operations. We are very happy with this commitment and looking forward to work closer with ADB in the future.

Closing

The 50th ADB anniversary provides an opportunity to celebrate the contribution of ADB to the significant progress in Asia and the Pacific Developing Member Countries for over the last 50 years. However, we are aware of more significant works needed to ensure that ADB assists countries and fulfill the promise of an Asia-Pacific free of poverty.

Having said that, I would like to close my statement with a hope that in the spirit of mutual understanding and cooperation, which transcend beyond our national interest, we can maintain our economic momentum. We also ask the ADB to continue its support on our development agenda in the spirit of partnership. With this I would like to thank the ADB for its ongoing support to Indonesia's development.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-020

IRELAND

Paul Ryan, Alternate Governor

Mr. Chairman
Mr. President
Honourable Board members
Governors
Distinguished Ladies and Gentlemen

On behalf of the Government of Ireland, I would like to join colleague members in thanking the Government of Japan for hosting the 50th Annual Meeting of the Asian Development Bank (ADB). I would also like to commend our hosts, along with the management and staff of the ADB, on the professional organisation of the event and the warm welcome shown to us here in Yokohama.

The occasion of the Annual Meeting provides an opportunity to take stock of the events of the past year, progress that has been achieved, and challenges and opportunities which lie ahead.

Ireland, along with our Constituency partners, welcomes the President's initiative to commence early discussion on the successor to Strategy 2030. It is clear that the ADB's Strategy 2030 will be of paramount importance, particularly in the context of a greatly changed business environment. Ireland, along with other European Capitals, participated in the consultation meetings held throughout Europe in September 2016. While these consultations were welcome, we would urge management to continue to engage openly with Capitals through our Constituencies and directly regarding the formulation of Strategy 2030 – in effect, a twin-track approach but one which recognises the important role of the Board. We would also argue for continued open constructive discussions based on collaboration and communication on the Strategy for the Bank which is, as all of us are aware, our Bank. We want the best possible Asian Development Bank which is fit for purpose with the optimal priorities and principles to guide the Bank into the future.

Following on from the Paris Agreement on financing at COP21, the ADB announced that it would be doubling the amount of climate finance being provided from its own resources to USD€6 billion. Ireland welcomed the ADB's response to this call for action. Given that the majority of Ireland's climate finance funding is dedicated to adaptation, the USD€2 billion set to be allocated for adaptation is particularly welcome. We would again encourage the ADB to be open, transparent and collaborative on the implementation of this ambitious plan to scale up climate finance. Climate will be, for us, a key element of Strategy 2030. In addition, we would

need to see concrete actions on sustainability and inclusive growth with an emphasis on the development of close working relationships with other MDBs and Governments. A key issue will be how the Bank constructs a balance between its work with Upper Middle Income Countries and the continued need to deal with consistent poverty across Countries of operation. Finally, we would be anxious that the Bank will use its enhanced capacity arising from the recent OCR-ADF merger including, for example, the expansion of private sector operations. This has to be fully explored in the deliberations on Strategy 2030 and it will have to be an important element in the final document.

From an Irish perspective, it has been a particularly important year following the conclusion of the replenishment discussions for the eleventh replenishment of the Asian Development Fund. At last year's Annual Meeting in Frankfurt, the final session of the ADF 12 replenishment negotiations took place. Unfortunately, Ireland was not in a position to make a pledge at this final session due negotiations surrounding the formation of Government following our General Election. Following the formation of a Partnership Government, Ireland agreed to contribute to the Asian Development Fund and in December 2016, Ireland renewed its commitment to the Fund with a pledge of €13.6m in line with our indicative contribution.

We have been guided in our role by Ireland's policy for international development 'One World, One Future'. The policy is strongly focused on results achievement and putting learning to use, because it outlines a number of key areas as priorities: reduced hunger; stronger resilience; inclusive and sustainable economic growth; and better governance, human rights and accountability. Ireland brings to the table a significant level of experience on development and governance matters from other International Financial Institutions and other international fora, and this guides our collaboration with the ADB and with colleagues from other member countries. We look forward to continuing to make an important contribution as we move forward together.

In conclusion, I would like to take this opportunity to provide you with an update on Ireland's economic progress. I am pleased to report that growth in the economy remains robust. In fact, for 2016 Ireland was once again the strongest growing economy in the EU, with GDP expanding by 5.2 per cent. The expansion in economic activity, initially led by the exporting sectors, has broadened with growth now increasingly driven by domestic demand. The recovery in the labour market continues with employment growth of almost 3 per cent recorded last year. There has been further progress this year in returning to full employment with the unemployment rate now below 6 ½ per cent.

The recovery in the economy has taken place alongside the restoration of sound public finances, with Ireland on course to achieve a balanced budget in structural terms in 2018. However, there is no room for complacency, particularly given the heightened uncertainty surrounding the international outlook especially Brexit. Prudent management of the public finances along with a continued focus on competitiveness oriented policies will help ensure sustainable growth in the years to come.

Lastly, we would like to take this opportunity to thank our Executive Director David Murchison and his excellent team representation at the Board. During the past year Ireland has continued to play a strong role in policy discussions at the ADB and we look forward to playing an even greater role in the year ahead in conjunction with our constituency colleagues. Complimentary to this, for the first time since Ireland became members of the ADB in 2006, we will take up an Advisor post at our Constituency Office. We look forward to taking this next step in our growing relationship with the Bank.

We are encouraged by the Bank's ambition and achievements in the 10 years we have been members. We look forward to working with colleagues from the Bank and member countries in the pursuit of poverty reduction and in ensuring that inclusiveness is further prioritised and firmly embedded across all areas. We wish the President well in moving forward with his work and we assure him of Ireland's continued support in the time ahead.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-044

ITALY

Ignazio Visco, Governor

We all can proudly celebrate the 50th anniversary of ADB. Its support to the development of the Asia and Pacific region has been very important. Italy is honored to have been a founding member of the bank.

We remain committed to the economic and social development of the region, and are convinced that a multilateral institution like ADB will have a crucial role to play in the years to come.

Even if we should acknowledge its remarkable success, ADB's mission – an Asia and Pacific free of poverty – must remain the focus of ADB action for many years. However, in a region that is transforming rapidly and profoundly, even the needs of its developing member countries are changing. The bank must also align itself with the new and compelling global development agenda. We are therefore pleased that President Nakao has initiated consultations with all relevant stakeholders on ADB's new corporate strategy.

We would now like to offer our views about some possible pillars of the new strategy.

A New Strategy

Seeking Quality to Remain Relevant

The main issue for ADB in this new framework is how to foster its relevance. The merger between the resources of the Asian Development Fund and those of Ordinary Capital, which took place at the beginning of this year, will provide the bank with additional financial capacity. However, even this increased amount will remain a relatively small and progressively decreasing fraction of the total financing needs of the region.

To maintain its effectiveness in the development context, the bank needs to improve on its strategy and modality of support, seeking quality as an overarching priority.

Aligning to the International Agenda: Inclusiveness and Sustainability

The search for quality starts by fully aligning the bank with the Sustainable Development Goals (SDG) and the Climate Change Agreement signed in Paris (COP21), which have put a model of environmentally sustainable and socially inclusive growth on the center stage. In the end, it is the quality of growth that creates diffused prosperity; therefore, ADB must recognize that, while continuing to fight poverty, the fight against inequalities and climate change should be firmly embedded in its mission. This will allow the bank to be able to reaffirm its commitment of playing a significant role in the development of Asia and the Pacific.

Responding to the Needs of Developing Member Countries

“Quality” for ADB also means to understand the needs of its clients and to adapt its strategy and operational model to those needs. ADB is recognized to be close—closer than nonregional organizations—to its client base. ADB needs to build on this strength to add more value. In this regard, we commend the current strengthening of the resident missions to better identify specific development challenges and design assistance based on country circumstances rather than ill-fitting top-down approaches.

Eventually, it will be crucial for ADB to offer specialized, flexible, and dynamic support, guided by considerations of value added and comparative advantage with respect to other development partners. At the same time, given the limitation of financial and organizational resources, the bank will have to enhance flexibility within its institutional strengths.

Engagement with Low-Income Countries and Fragile and Conflict Affected Situations

Against this background, the allocation of resources to low-income countries (LICs) and fragile and conflict affected situations (FCAS) must remain a priority for ADB. The goal of eradicating poverty registered a large success in the region. Nevertheless, more than 300 million people still live below the poverty line and more than 800 million just above it. Poverty eradication is therefore an “unfinished business”. Local-based solutions are needed to address the pockets of indigence remaining in the countryside, where support can remain focused on basic infrastructure (clean water, sanitation, and energy) and social services (health and education), while addressing the multidimensional features of urban poverty requires more specialized and complex intervention.

Approach to Middle-Income Countries

However, the vast majority of ADB developing member countries (DMC) are now middle-income countries (MICs). Going forward, ADB’s relevance in the region will be measured by the quality of its engagement with MICs. This is a large group of countries at different development stages. Again, identifying and selectively answering to their diversified needs is crucial for ADB.

In this respect, the key challenge for MICs to become high-income economies (HIEs) is to increase productivity and create jobs. For ADB, the crucial step is to reorient MICs country programs towards the generation of productivity by offering support in the fields of research and development, human capital, and smart infrastructure. The intercrossing of these fields with environmental sustainability and social inclusivity highlights well the complexity of the support that is requested from ADB, but also the need to focus on quality rather than only on finance.

Upper Middle-Income Countries and Graduation Policy

The countries that are closer to joining the HIEs group, in particular, need specialized assistance. A strategy for upper middle-income countries (UMICs) and the interlinked graduation and pricing policies should be pillars of the new ADB corporate strategy.

The first step of this UMIC strategy is to identify the rationale of directing part of the scarce resources of international cooperation to countries for which the attainment of a certain level of per capita income should imply, in principle, the availability of large amounts of financial resources that could be mobilized for their own development. Considering the universal valence of the Sustainable Development Goals, this rationale can be found in the creation of public goods (externalities) regionally and/or globally. In fact, the Sustainable Development Goals adopt an integrated and coordinated vision of objectives without distinction between levels of development among countries, implicitly recognizing that the challenges found at the country

level recur at the regional and global level and, therefore, require both local and global responses.

In this respect, several strategic areas are natural producers of regional and global public goods: (i) climate change and the environment; (ii) regional cooperation and integration; (iii) knowledge sharing and collaboration; and (iv) inequality mitigation and inclusiveness, which have a positive effect on regional political stability.

The same rationale would also pave the way to redefining a more robust and credible graduation policy. In this context, it could also be worth considering different costs of borrowing from ADB as a function of different per capita income levels, and the reimbursement of cost of advisory services. In fact, these would be consistent with the general assumption that the overall issue is not about the availability of financing but about the knowledge content.

In the end, the bank must adopt an integrated approach when considering UMIC strategy, graduation policy, and pricing of assistance because of their apparent interdependence. Consequently, we also expect to see them defined together, as a whole.

A Quality Institution

A Better Bank

Quality support to borrowers requires better products and a better organization to produce them. The ADB engagement in a wide and profound program of reforms involves the organizational set-up, business processes, and human resources. We praise these efforts, in particular those directed towards (i) the delegation of authority and strengthening of resident missions, (ii) the reshaping of procurement rules to promote qualitative solutions, and (iii) a better selection and utilization of staff. However, this reform path sometimes shows uncertainties; as an example, we believe that the proposal for a new pension system with the retirement age only set at 62 years needs further reflection and qualifications.

In addition, more can be done in two crucial fields.

Private Sector Operations

First, private sector operations are set to grow substantially in the next years, both in absolute and relative terms. In this context, we would like to see an enrichment of their development content, more sector diversification and an increase in projects in poor and frontier markets. In general, the opportunistic approach that often characterizes investment banking operations should be balanced by an overall strategy for private sector development in DMCs.

Furthermore, increasingly challenging development tasks require solutions that involve both private and public sector support. In this respect, ADB's choice of having both sectors within the same organization must find validity in actual synergies. We, therefore, support the "One ADB" approach strongly affirmed by President Nakao, as the way forward for ADB action.

Knowledge

Second, quality is also about knowledge, and the availability of knowledge is decisive for both the less and the more developed among ADB borrowers. Regarding the former, it may allow them to leapfrog stages of development, well beyond the prescriptions of standard incremental development models. For the latter, it is an essential element for transitioning to a HIE. In this regard, innovative technologies are the key factor, as for example digitalization and financial technology in the field of financial inclusion and solar power storage in that of clean energy generation.

ADB needs to put knowledge at the center of its corporate model. This is by no means a simple task because it implies a deep revision of the way in which knowledge is managed in the bank, of how it is preserved, conveyed, and then reused. Crucially, the obstacles to its diffusion must be removed, especially those rooted in the culture of the organization, and the incentives reinforced.

ADB is at a critical crossroad, requesting strong leadership and vision to keep playing an important role in shaping the future of Asia and the Pacific. Italy will continue to support the bank in its endeavor.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-001

JAPAN

Taro Aso, Governor

Mr. President, distinguished Governors, ladies and gentlemen:

Thank you for allowing me to speak first. Now, I would like to make a statement as Governor for Japan.

Asia and the Pacific region has achieved significant economic development and poverty reduction over the past 50 years. On the other hand, it is faced with a range of challenges such as remaining poverty, natural disasters, pandemics and aging population.

To confront these challenges, I believe we should follow two guiding principles of “achieving inclusive and sustainable economic growth”, and “strengthening resilience against various crises”

Inclusive and Sustainable Economic Growth

To achieve inclusive and sustainable growth, we believe it is particularly important to promote infrastructure development and strengthen the health system.

(Infrastructure Development)

Although there has been a steady progress in infrastructure development, infrastructure needs in the region are getting larger both in terms of quantity and quality due to economic development.

I expect the Bank to respond appropriately to such needs including through further mobilizing private resources and incorporating advanced technologies.

Japan has been promoting quality infrastructure in Asia in collaboration with the ADB. To further strengthen this partnership, Japan will provide 40 million dollars over a 2 year period to the newly-created Bank’s trust fund to promote high level technologies.

(Strengthening of the Health System)

Turning to the health system, rapid aging in Asia is expected to create emerging health challenges such as growing demand for elderly care.

The Bank, as a broad-based development institution, is encouraged to further strengthen its expertise on these emerging social issues to make a meaningful contribution.

Japan has accumulated various expertise and experience on health and elderly care as it has entered into super-aging society. Based on these strengths, Japan is willing to support Asian countries in addressing health-related challenges. From this perspective, during this Annual Meeting, the Bank and JICA has just agreed on a framework to promote collaboration in this area.

Strengthening Resilience against Various Crises

Now, I would like to move to the other guiding principle of strengthening resilience.

Asia faces threats of various crises. Among which, three crises are of particular relevance to the region: pandemics, natural disasters and high volatility in international capital flows.

I would expect the Bank to strengthen prevention, preparedness and response to these crises to contribute to enhancing resilience in the region.

Japan will join these efforts through actively supporting health system strengthening, promoting disaster-resilient infrastructure and advancing regional financial cooperation.

Conclusion

To close my remarks, I encourage the Bank to continue playing a central role in regional development under the strong leadership of President Nakao. Japan remains firmly committed to working very hard for the development of the Asia-Pacific region, in close cooperation with the Bank.

Thank you very much.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-018

KAZAKHSTAN

Timur Suleimenov, Governor

**Dear Mr. Aso,
Dear President Nakao,
Dear Governors, Ladies and Gentlemen!**

First of all, let express sincere gratitude to the Government and people of Japan for the excellent organization of the 50th commemorative annual meeting of the ADB Board of Governors. We highly appreciate cooperation with the ADB and we hope that holding annual meetings provides us with great opportunities to discuss all the issues and to solve the priority tasks for cooperation.

1. ADB Contribution into the Sustainable Development

Since its foundation the Asian Development Bank deals with one of the most important directions of the development of modern times – poverty reduction. In recent decades the ADB has become an important partner of all member countries in achieving this goal, including development assistance and establishment of sustainable economies.

As of today, the Bank implements its activity in the region with around 700 million people with the income level of less than \$1 a day and 1.9 billion people (more than a quarter of the planet population) with the income level of less than \$2 a day.

Playing a leading role in the development processes and implementing the function of a catalyser in the economic and social processes of the Asian Pacific Region, the ADB is constantly working on stimulation of regional and sub-regional cooperation.

During the global financial and economic crisis of 2008-2009, the ADB was a significant instrument of the international community on implementation of the countercyclical regulation measures having provided in these years the record-breaking amounts of investment operations in the priority economy sectors in the territory of the Asian Pacific Region.

Especially I would like to note the strategic cooperation of Kazakhstan with the ADB.

For more than two decades of our partnership we have become a donor country in the Asian Development Fund. Being a donor in the Fund allows Kazakhstan equally with other partner countries providing assistance in development of the Central Asian countries, our partners. Until now the Bank has provided 30 sovereign loans for the amount of around 4.6 billion USD, 8 non-sovereign loans in the private sector for the amount of 455 million USD and 83 technical assistance projects for the amount of 37 million USD. At the same time, an important role in raising these funds relates to creation of workplaces, economy diversification, state governance improvement and financial sector development.

It should be noted that we also used the loans to sustain economic activity in 2016.

2016 was complicated for the economy of Kazakhstan in terms of adapting the economy to new conditions. Economic activity was tempered by high volatility of energy prices and a decrease in consumer activity.

In response to the negative external shocks, the Government took timely steps to promote economic activity through financing the State program Nurly Zhol and undertaking anti-crisis actions.

Thanks to the measures, which were taken following the results of 2016, we managed to prevent recession and maintain positive economic growth at 1.0%. Construction (grew by 7.9%), agriculture (5.5%), and transport (3.8%) were the prime drivers.

We expect 2017 to be the year of moderate growth recovery in the sectors of the economy; this will be enabled by both the stabilization of the external environment and recovery of consumer activity.

In the first quarter of 2017, the economy of Kazakhstan grew amid decrease in oil and metal price volatility, as well as recovery of the consumer and production activity in our key trading partners in EU, the People's Republic of China and the Russian Federation.

According to preliminary data, in the first quarter of 2017, the country's GDP grew by 3.0% mainly due to tradable and export-oriented sectors of the economy.

There is a rapid growth in various sectors. Positive results are found in the industrial sector, which grew by 5.8% mainly due to the higher growth in manufacturing (6.5%).

Overall, by the end of 2017 the economy is expected to grow by 2.5%, where the traditional extractive industries (oil production will increase from 78.0 million tons in 2016 to 81.0 million tons in 2017 thanks to Kashagan) and manufacturing, due to the introduction of SPID projects and the ongoing implementation of the State program Nurly Zhol, will be the main sources of growth.

However, there are increasing risks of protectionism in the global economy today, which might lead to trade wars and isolation. We also see the growing interest rates in developed countries, which might lead to increased volatility in commodity markets.

We should particularly highlight intensification of geopolitical tensions and the issues of security and terrorism, which might result into reduction of international trade, investments and increasing capital outflows from developing countries.

Given all these potential risks, further cooperation with ADB is our main priority in terms of both implementation of structural reforms and borrowing additional loans to finance economic transformation.

2. Prospects of ADB and Kazakhstan Cooperation

The Partnership Framework Agreement signed in Astana at our annual meeting in 2014 plays significant value in the new cooperation with the ADB.

One of the key roles in this direction belongs to cooperation with the ADB. The indicative portfolio of the ADB projects within the Framework Agreement is around 1 billion USD.

At present the ADB is developing the new Country Partnership Strategy for Kazakhstan for 2017-2021. This document will be aimed at assisting in enhancement of competitiveness and continuing the economy diversification in order to support the sustainable growth and to create new workplaces, to support the investment into infrastructure and to raise private capital as one of the main drivers for the economic growth, to develop small and medium business.

Strengthening the financial sector will also be the key direction of the Strategy. Support to financing in the local currency will encourage development of the securities markets and diversification of the financial sector.

Astana International Financial Centre created upon the initiative of the President of the Republic of Kazakhstan will become the core of the financial infrastructure of Kazakhstan, further financial hub for the whole Central Asian region. Together with the establishment of capital markets, asset and wealth management of high net worth individuals, the AIFC will become a regional hub for Islamic Financing where favourable conditions will be created for operation and development of the Islamic financial institutions, new financial technologies.

We are interested in further implementation of the Central Asia Regional Economic Cooperation Program with the ADB and in expansion of its strategic priorities. We look with great hopes at continuing its implementation within new Strategy CAREC 2030 under development.

As of today, within the Joint Program for knowledge and experience exchange to prepare and support loan projects the Government of Kazakhstan envisages financing for the total amount of 3 million USD. Total joint portfolio of technical assistance within this program will constitute more than 5 million USD.

Dear Mr. Aso!

Dear Mr. Nakao!

In 25 years of its independence Kazakhstan has made an incredible thrust in social and economic development having achieved growth dynamics in all the indices in industry, agriculture, entrepreneurship and prosperity of Kazakh citizens.

Kazakhstan is a country with an open market economy and integrated into the international community and the election of Kazakhstan to non-permanent members of the UN Security Council for 2017-2018 and holding this year in Astana of the International Exhibition "Expo-2017 Future Energy" is one of the bright achievements in international recognition.

Thank you for your attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-026

REPUBLIC OF KOREA

Yoo Ilho, Governor

Honorable Chairman Aso,
Honorable President Nakao,
Distinguished Governors, Ladies and gentlemen,

First of all, I would like to sincerely thank the government and the people of Japan, the citizens of Yokohama for organizing this successful meeting. It is my great honor to be here to celebrate the 50th Annual Meeting of ADB. The Republic of Korea believes that ADB has played an exceptional role in enhancing economic prosperity and reducing poverty in Asia throughout the past five decades. This is a great achievement for all. Congratulations, President Nakao, former President Kuroda and all the predecessors. And congratulations to the entire ADB staff. Looking back to the past, we witnessed free trade and financial integration lift hundreds of millions of people out of poverty. And rule-based systems and multilateral organizations have led the way in promoting huge global welfare gains.

Recognizing these remarkable accomplishments of the past is certainly important. But I believe what is more important is continuing to work together for the future and prosperity of Asia, with the shared goal of achieving sustainable, balanced, and inclusive growth. And I believe that, as our great partner, ADB will continue to march with us toward this goal.

Let me first talk about the global and regional economic outlook.

The world economy has sustained its growth momentum lately, supported by a pick-up in global investment and trade, as well as proactive macroeconomic policies. The Asian region is expected to sustain a strong 5% growth over the next 2 years and continues to be the strongest driving force of the global economy.

In order to sustain this momentum, however, we must pay attention to short-term downside risks. The immediate challenges facing us stem from prolonged global uncertainties, including the backlash against economic integration, and inward-looking policies. To make sure that a rule-based free trade system functions well, we must take firm measures against unfair trade practices. We must also concentrate policy efforts on inclusive growth so that the benefits of economic integration and free trade trickle down to the economy at large.

At the same time, we must also prepare against pressing challenges facing developing and low-income countries in the region in their medium-term development. Growth, and the consequent surge in infrastructure demand, have left us the homework of contemplating how to most efficiently utilize the limited resources available.

In addition, whereas poverty continues to shrink and trade and financial market integration is deepening, income inequality and sluggish productivity growth have emerged as new challenges. To tackle these issues, international cooperation is crucial. Therefore, I believe we must re-define the mission and vision of ADB.

With this in mind, I would like to share with you three points.

First, ADB needs to seek innovative policy measures to reduce the widening infrastructure gap. According to an ADB report, the infrastructure investment gap in the region is expected to reach 2.4% of total GDP over the next 5 years. To ease the resource shortage, ADB needs to attract private sector investment in infrastructure and pay closer attention to tax and fiscal reforms for Domestic Resource Mobilization (DRM) in developing countries.

Second, ADB needs to pay attention to options to expand strategic and inclusive support for the ICT sector. In the foreseeable future, we anticipate the fourth industrial revolution to take place, characterized by the “convergence” of ICT and other industries. It is our hope that instead of supporting only the typical ICT sector-related projects, ADB will take steps to develop a well-structured and comprehensive support strategy for ICT policies and relevant infrastructure. By doing so, we hope to see the intra-regional digital divide decrease and contribute to productivity improvement when the era of the fourth industrial revolution dawns on us.

Last, I would like to talk about reforms within the ADB. Taxpayers around the world are demanding reforms to enhance efficiency in the public sector. And ADB is not insulated from these moves. That said, I fully support ADB’s recent internal reform initiatives led by President Nakao. These reform efforts will lay the foundation for ADB to make stronger contribution to Asia’s economic growth.

Distinguished Governors,
ladies and gentlemen,

Two decades ago, Asia trembled in fear thinking that it was the epicenter of the financial crisis, However, we have successfully conquered that fear, and Asia has since then turned into a key engine of the global economy. For Asia to remain as the growth driver, all of us here today must join hands and make concerted efforts under the ADB’s leadership.

Thank you for your attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-015

KYRGYZ REPUBLIC

Adylbek Kasymaliev, Governor

Dear participants of this meeting,

Let me express my acknowledgement to the ADB especially to the President, Mr. Nakao Takehiko, and to the Government of Japan for their warm hospitality and the excellent organization of this large-scale event.

We are very glad to participate in the 50th Annual Meeting of the ADB Board of Governors. Over the 50 years of its activity, ADB has become a financial and ideological leader in Asia and the Pacific region. Being established in 1966, today ADB is an ally and reliable partner for more than 60 countries in their pursuing for social and economic development, poverty reduction, environmental sustainability, and regional integration.

The Kyrgyz Republic and ADB have been cooperating for more than 20 years. During these years, ADB has become an integral part of the life of the State, its commitment to democratic values, the development of the country, improving the living conditions of its citizens and integration processes.

ADB finances the most important directions in the economy and important social programs. The Kyrgyz Republic constantly feels the support of ADB and its aspirations to provide assistance both in difficult times for the country and in general on development.

The Annual Meeting of 2017 is a jubilee - the 50th in succession. It is possible to sum up some results of the bank's activities, the work done and the results achieved. It can be noted that ADB is expanding its activities, focusing on modern challenges, taking into account world economic and political processes. Today, the Bank also does not change its fundamental commitment in assisting the social and economic development of the countries of Asia and the Pacific region.

The Kyrgyz Republic wishes the Bank further prosperity, achievements in new heights and new discoveries.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-051

LAO PEOPLE'S DEMOCRATIC REPUBLIC
Somdy Douangdy, Governor

Mr. Chairman
Fellow Governors
Ladies and Gentlemen

It is a great pleasure for me and my delegation to be present here in Yokohama, the second largest city by population and the most populous municipality of Japan, to address the 50th Annual Meeting of the Board of Governors of the Asian Development Bank and to celebrate 50th year of the establishment of ADB.

I join my fellow Governors in congratulating our chair and express our deep appreciation to President Takehiko and his team for the dedication, commitment and leadership in steering ADB towards achieving its overarching goal of realizing a poverty-free Asia and Pacific Region. I would like to extend our special thanks to the Government of Japan and the people of Yokohama for their warm hospitality and excellent arrangement.

Mr. Chairman,

Stagnant global trade, subdued investment, and heightened policy uncertainty marked another difficult year for the world economy. A moderate recovery is expected for 2017, with receding obstacles to activity in commodity-exporting emerging markets and developing economies. Weak investment is weighing on medium-term prospects across many emerging markets and developing economies. Although fiscal stimulus in major economies, if implemented, may boost global growth above expectations, risks to growth forecasts remain tilted to the downside. Important downside risks stem from heightened policy uncertainty in major economies.

Global growth in 2017 is projected to rise to 2.7 percent. Growth in emerging market and developing economies is expected to pick up in 2017, reflecting receding obstacles to activity in commodity exporters and continued solid domestic demand in commodity importers. Weak investment and productivity growth are, however, weighing on medium-term prospects across many emerging market and developing economies. Downside risks to global growth include increasing policy uncertainty in major advanced economies, financial market disruptions, and weakening potential growth. However, fiscal stimulus in key major economies—in particular, the United States—could lead to stronger-than-expected activity in the near term and thus represent a substantial upside risk to the outlook.

Nonetheless, it is encouraging to note that a number of Asian economies have achieved good performance by constantly undertaking structural policy reforms, and overcoming the obstacles posed by unfavorable external environment. They also have benefited from lower oil prices and improved global financial conditions. However, a full recovery process in the advanced economies will have a positive impact on Asia through creating an improved opportunity for external trade and investment. Therefore, there is a need to implement a

prudent monetary policy and fiscal adjustment to supporting both the recovery and long-term growth.

Ladies and Gentleman,

Despite a less favorable external environment in recent years, Lao PDR is able to maintain overall economic stability and sound fundamentals, led to the significant improvement in people's living standard and poverty reduction. The Real GDP grew at 7 percent in 2016 supported by the increase of infrastructure development, hydropower generation and the receipts of tourists. Inflation in 2016 has slightly picked up from previous year but remains contained around 1.6 percent. International reserves also showed a sign of improvement as it rose to cover 6 months of imports at the end of 2016. Exchange rate has remained broadly stable against major foreign currencies and became a crucial factor help anchoring price stability given the limited monetary instruments. In order to boost economic activities and promote financial access for SMEs, the Bank of Lao PDR has conducted a downward adjustment in policy rate, slightly further than the previous adjustment in 2015. Despite some few commercial banks indicated a rising trend in NPL, overall banking system is well-capitalized and continue to expand while Bank of Lao PDR has made efforts in strengthening supervisory framework, prudential regulations and moving toward Basel-core principles.

In near-term, the economy will continue to grow at moderate level and to rise above 7 percent in medium-term, mainly driven by a resumption of hydropower projects. The government's commitment to structural reforms and improving business environment will help promote greater economic diversification and inclusive growth.

Mr. Chairman

Lao PDR and ADB have established long standing and excellent relationship. This year marked a 50 years establishment of ADB in which it has continued to play an important role in providing financial and technical assistance and economic policy advice to support of the implementation of National Socio-Economic Development Plan that aims to develop and assist the transition of the country for the development programs with the stated goal of reducing poverty. With valuable support provided, the livelihood of the Lao people has been improved.

Since the establishment of relationship, ADB has particularly provided enormous financing support to Lao PDR in active ongoing support to programs. Our ongoing Country Partnership Strategy 2012-2016 with ADB is proven to be fruitful and in this regards, we are in the process of implementing our 8th five year National Socio Economic Development Plan 2016-2020 in which to be in alignment with ADB's Country Partnership Strategy 2017-2021. The Government will continue to seek cooperation and support from ADB for accelerating the socio-economic development to achieve the new SDGs and to graduate from LDCs by 2020 as well as to facilitate the integration to the regional and global level.

For Lao PDR, a strong and growing ADB is our cherished desire. We were privileged to celebrate the Lao PDR and ADB 50th Anniversary of the Lao PDR's membership in ADB recently. ADB has been the largest and a very valuable development partner of Lao PDR and has been very supportive of various sector developments like energy, transport, education and regional cooperation under the GMS Initiatives.

Ladies and Gentleman,

On behalf of the Government of Lao PDR, I would like to express our heartfelt gratitude to the Management and staff of the Asian Development Bank, and fellow member countries for the assistance given to the Lao PDR and extend the Government's continued support to join

forces with ADB in realizing substantial development results for Lao PDR. Let me conclude by wishing this Annual Meeting a great success.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-033

LUXEMBOURG

Arsene Jacoby, Alternate Governor

On behalf of Luxembourg, I would like to thank the Government of Japan for hosting the Asian Development Bank's 50th Annual Meeting and the people of Yokohama for their warm welcome.

We are gathered here to celebrate the 50th anniversary of ADB. Since the founding of ADB in 1966, Asia has come a long way. Many of its regional member countries have now successfully transitioned out of poverty and Asia as a whole has become an engine of growth for the world. ADB has accompanied this process in an effective way and has proved to be an adaptive partner under changing circumstances.

But many challenges remain, including the global threats of climate change and rising inequality. ADB continues to be well positioned to help member countries address these challenges.

Climate Finance

As the first multilateral development bank accredited to receive financing from the Green Climate Fund in 2015, ADB continues to be a first-mover in this area with the recent creation of a consolidated climate change portfolio.

Luxembourg strongly endorses ADB's continued scaling up of investments in climate change projects. ADB is playing a crucial role in trying to tackle the effects of global warming at the regional level. Especially in the case of Asia's least developed countries it is paramount to have a longstanding and reliable partner such as ADB to finance climate investments and help economies to become more resilient to climate change.

Green bond issuances are an innovative and distinctive fundraising method for climate action projects. In 2007, the Luxembourg Stock Exchange (LuxSE) became the first stock exchange in the world to list a green bond, and has recently created a dedicated platform – the Luxembourg Green Exchange (LGX). This is the first international exchange platform that requires issuers to follow industry best practices in terms of full transparency at entry as well as post-issuance reporting. In doing so it ensures adherence to widely accepted green standards thereby reducing the risk of greenwashing. Today, it lists more than a hundred green bonds in 20

currencies from over 25 different issuers, including ADB. It is the exchange with the highest number of listed green bonds.

Private sector

Stock Exchanges are one of the instruments available to mobilize private capital needed to attain the climate change objectives agreed upon at the COP 21, or indeed the Sustainable Development Goals as affirmed by the Addis Ababa Action Agenda. Crowding in private finance has become key to foster the overall development agenda.

In the current low-interest rate environment there is momentum for trillions of dollars of weakly performing capital to seek higher returns. The challenge is to link these private funds with the demand for capital emanating from developing and emerging economies. To mobilize the necessary funding from public and private sources, a closer collaboration between both sectors is required with the primary objective to address risk-return concerns.

ADB is well positioned to play an important role in that regard, but in order to live up to the challenge it would need to aim for a better integration of its private sector operations into its overall business model. Such integration would facilitate the much needed scaling up of its private sector operations, which is of strategic interest also in view of formulating Strategy 2030.

Strategy 2030

This brings us to a few important remarks we have on process and content in relation to the ongoing discussions around Strategy 2030. On process, we are somewhat concerned that even one year into the debate there is still no clear sense of direction. In particular, we would like to urge management to increase its consultations with the Board of Directors and capitals, as had been done in the context of Strategy 2020.

Another difference with Strategy 2020 is the perceived departure from a highly selective approach of what ADB should or should not be doing towards a much wider mandate. Whereas the current framework is to be selective according to ADB's comparative advantage, it now seems that the Bank wants to be many things to many different stakeholders. Against this background we would like to urge management to provide shareholders with a clearer vision of ADB future role.

One area of particular concern to Luxembourg is that financial sector development would no longer be a first-tier priority, but be relegated to the more generic category of private sector development. As you know, Luxembourg believes that having a well regulated and supervised financial sector is a pre-condition for the development of the real economy. We need solid financial institutions and deep capital markets to help us grow our economies and create jobs.

In particular, we believe that in coming years financial innovation will play major role in fostering inclusive growth. Mobile and digital money will revolutionize access to finance. In developing countries and emerging markets, digital money already has a far-reaching impact. We are glad to see that ADB is now organizing on a yearly basis a forum allowing experts from all over the region

to share insights on expanding innovative financial inclusion solutions and discuss the growing importance of FinTech in shaping the financial system. We contribute to these events and others through the Financial Sector Development Partnership Special Fund (FSDPSF), a multi donor trust fund that Luxembourg has been supporting over the last ten years. We would welcome if other donors would consider participating in this endeavor as well.

Thank you for your attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-029

MALAYSIA

Wira Othman Aziz, Head of Delegation

On behalf of the Government of Malaysia, please allow me to express my heartfelt gratitude to the Government of Japan for hosting the 50th Annual Meeting of the ADB Board of Governors in this wonderful city of Yokohama. I also wish to express my appreciation to Mr. Takehiko Nakao as well as the ADB management and staff for their relentless effort in organising this Annual Meeting under the theme “Building Together the Prosperity of Asia”.

Excellencies,

As we meet today here in Yokohama, growth momentum in the global economy continued to record gradual improvement across major economies and modest expansion in the emerging market and developing economies. Global economy is estimated to gain momentum in 2017 led by a pick-up in emerging markets and developing economies as well as an improved growth in advanced economies. As global economic activity improves, downside risk remains. The potential introduction of protectionist trade policies and inward looking approach would impact countries as it creates more uncertainties. Therefore, in sustaining growth and mitigating risks, a comprehensive, well-balanced and well-communicated policy mix is essential. This includes sound policies on infrastructure development, investment in education as well as structural and fiscal reforms.

Home to more than half of the world’s population, Asia remains the engine of global growth. From 12% of global GDP in the early 1960s to almost one third today, Asia's economic growth has been nothing less than impressive. Its GDP grew at 5.7 percent in 2016. After more than two decades of rapid economic development, incomes rose across all segments of Asia’s population. Though millions have been lifted out of poverty thanks to the growth dividend alone, economic development has not benefited the region’s populations equally or at the same pace, causing the region’s income disparity to grow. Indeed, income inequality has risen in most of Asia, in contrast to most regions. In some larger countries, spatial disparities, in particular between rural and urban areas, explain much of the increase. As explained in the roundtable discussion earlier, in developing Asia, inequality has widened in 12 of the 28 economies with comparable data since the early 1990s. Asia and the Pacific region remains home to two-thirds of the world's poor, a staggering 1.2 billion people live below the poverty line of USD3.10 a day. Lack of access to education and health services can worsen education and health outcomes, hampering productivity and perpetuating income inequality. The inadequate access to financial services also constrains the ability of people, particularly low-income individuals, to borrow for investment and to finance education spending.

Excellencies,

Governments have taken considerable amount of measures in combating inequality. Given limited social safety nets, well-designed fiscal policies may be able to alleviate inequality without stifling the region's wealth-creating growth. When the ADB was established in 1966, Asia and Pacific was one of the poorest regions in the world with an annual per capita income of about USD100. But for the past 50 years, ADB has supported many countries in fostering economic growth and cooperation through infrastructure development. This is a tremendous achievement, but I would like to emphasise that there is still much needed work to be done. ADB can produce more evidence and studies to assist countries in formulating policies and programmes that promote inclusive and sustainable growth for the region. More policy dialogues with member countries should be held to facilitate member countries in designing sound policies, implement structural reforms, and carry out well-targeted initiatives that would alleviate inequality, bolster potential growth and reduce potential vulnerabilities.

Excellencies,

In 2015, countries have adopted a set of goals to end poverty, protect the planet and ensure prosperity for all as part of a new sustainable development agenda. This agenda comprises 17 goals with 169 associated targets to be achieved over the next 15 years which include combating climate change and ensuring sustainable development in areas such as infrastructure and economic growth. As such, developing countries will benefit from progress that takes into account the sustainability and environmental aspects through the adoption of technology and practices from advanced economies.

In addition, infrastructure investment plays an important role in attaining these Sustainable Development Goals (SDGs). The McKinsey Global Institute has published a study on "Bridging Global Infrastructure Gap" in 2016 which identified enormous needs for infrastructure development. The study stated that for the period 2016 - 2030, a global infrastructure spending of USD49.1 trillion is needed, with some 60% of this total needed in emerging market countries. Therefore, we believe it is imperative to increase the level of the private sector investment in infrastructure as Government alone cannot do this. Investment can be done in various ways such as the public-private partnership projects (PPPs). Well-designed PPPs have proven to be better than traditional public sector delivery approaches as it brings market expertise and discipline in managing infrastructure projects. Governance framework can be developed through innovative forms of PPPs as well as Islamic sukuk financing which enable infrastructure sustainability and facilitate private financing. The private sector can play a more significant role in stimulating economic growth by providing employment opportunities and reducing income disparity.

The ASEAN Infrastructure Fund (AIF) and Credit Guarantee and Investment Facilities (CGIF) are also initiatives that could be further enhanced through smart partnership with the private arm of ADB. We hope that the AIF, CGIF and ADB can continue to work together to fund infrastructure development in the less privileged countries in order to boost their economic growth. Additionally, we welcome ADB's collaboration with the Asian Infrastructure Investment Bank (AIIB) in infrastructure development projects such as the One Belt One Road (OBOR) initiative and we hope this collaboration can further facilitate regional economic growth.

Therefore, I hope ADB would continue to catalyse on regional cooperation particularly in new areas including emerging technologies that would help put the region on a sustainable growth path and reduce income disparity. Malaysia remains committed and supportive towards the role that ADB plays and its mission to help developing member countries reduce poverty and improve the quality of life of the people in Asia. I am looking forward to working more closely with ADB and member countries in promoting inclusive growth in the region. In line with this year's Annual

Meeting theme “Building Together the Prosperity of Asia”, Malaysia views the ADB as an important partner in a broad spectrum of areas of cooperation and has contributed greatly to our regional growth. Balancing economic prosperity, social equity, and environmental responsibility will continue to be a challenge for every country in the Asia and the Pacific.

Nevertheless, I believe ADB would continue to support countries in this region to achieve sustainable development and shared prosperity. Rest assured, we are ready to enhance collaboration with ADB to build Asia’s prosperity together.

Excellencies,

To conclude, allow me on behalf of Malaysia, to congratulate ADB for 50 successful years in working towards eliminating poverty in the Asia Pacific. We look forward to the next 50 years in seeing the Asia Pacific transformed into a region with equitable, inclusive and sustainable development.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-039

MALDIVES

Ahmed Munawar, Governor

Bismillahi al-Rahmaan al-Raheem,

Mr. Chairman; President of ADB; Distinguished Governors; Ladies and Gentlemen,

A'salaamu alaikum and Ko'nnichiwa,

It is my privilege to join fellow Governors in expressing my sincere appreciation to the Asian Development Bank and to the Government of Japan for the warm welcome and generous hospitality extended to all of us, including the Maldives' delegation, since our arrival in this awe-inspiring, cosmopolitan harbor city of Yokohama.

This landmark Annual Meeting has brought with it an overwhelming sense of occasion and significance. It is a happy coincidence for us in the Maldives that this commemoration of 50 years since the inception of ADB falls on the 50th anniversary of the establishment of diplomatic relations between the Maldives and Japan. In my meetings here with the ADB, we have just confirmed that that ADB will be committing 50 million US dollars towards a modern waste management solution in the Greater Male' Region. "50", therefore, is a cross-cutting number of much significance! And all this well before I have reached the significant personal milestone of 50 years of age!

Let me, at the outset, recall a few important interventions at yesterday's Opening Session of the Board of Governors.

President Nakao charted a very clear course for our way forward, including the Strategy 2030. The emphasis on infrastructure development incorporated with advanced technologies and innovative solutions is very encouraging indeed. We, in the Maldives, have identified the critical need for infrastructure development in the future growth of our economy.

Deputy Prime Minister Taro Aso very eloquently encapsulated ADB's crucial role in Asia's rise over the past half century as being that of a "family doctor"! We, in the Maldives, are testament to the continued support of ADB in our post-independence development chronicle, especially in our successful graduation from LDC to MIC status.

Similarly, His Imperial Highness the Crown Prince of Japan provided us with a strategic blueprint for Strategy 2030, in highlighting the plethora of challenges before us, including the development of transport infrastructure and the urgent need to address natural disasters and

climate change. The Maldives, being among the most vulnerable, share this vision for the development of climate-resilient societies.

Mr. Chairman, Ladies and Gentlemen,

ADB has, indeed, been a family doctor for us in the Maldives. An overview of ADB's contribution to our economy reveals generous support towards financing critical infrastructure projects, enhancing the power supply in our capital Male', developing ICT, improving higher education and facilitating a modern port, among others.

The scale of ADB's contribution can be encapsulated by the fact that, since the Bank began supporting socioeconomic development in the Maldives in 1978, the monetary contribution alone is already above 700 US dollars per capita. That, of course, does not include the benefits incurred from ADB's assistance towards strengthening macroeconomic planning and financial management for the Government, as well as the establishment of a modern tax system in the Maldives.

ADB has also augmented its direct contributions to our economy by channeling substantial additional funding support towards key development projects over the years.

Furthermore, with the support of ADB, the Maldives is also a proud member of the South Asia Subregional Economic Cooperation (SASEC), with the purpose of reaping benefits of regional integration. Through SASEC, we hope to develop our transport infrastructure to enhance connectivity in the Greater Male' Region, as well as formulating trade facilitation strategies.

Mr. Chairman, Ladies and Gentlemen,

The Maldives has undergone remarkable socioeconomic development over the last decades. The transformation policies of the Government of President Abdulla Yameen Abdul Gayoom have led to our growth accelerating from 3.9 percent in 2016 to an expected 4.7 percent this year. A marked reduction in our fiscal deficit, from 7.4 percent of GDP in 2016, to an anticipated 0.5 percent this year reflects fiscal consolidation efforts aimed at expenditure control and revenue enhancement. Despite the recent infrastructure scale up, the domestic revenue as a ratio to GDP in the Maldives is remarkably at over 40 percent. Key fiscal reforms have also been introduced, including the adoption of fiscal rules, targeting of subsidies and implementing prudent public financial management measures.

Despite this progress, a number of challenges do remain in keeping growth steady, sustainable and on track to realize the Government's transformation vision of a resilient and diversified economy. The dispersed nature of our population makes the delivery of public services and infrastructure a costly exercise. To overcome this challenge, the Government plans to consolidate the population through the development of the Hulhumale' Youth City in the Greater Male' region and to urbanize around 70 percent of the population of Maldives in this modern, planned city. Hulhumale' will be a model of a disaster-resilient society. I take this opportunity to thank ADB for its assistance in conducting a feasibility study for the Greater Male' connectivity project!

While a number of key infrastructure projects are underway in the Greater Male' Region, including the upgrading and expansion of the international airport and the construction of a

bridge to connect the capital Male' to the airport and to Hulhumale', a lot more work remains in realizing this vision of an urban center for the Greater Male' Region. Although significant funding gaps remain to finance these infrastructure needs, we are confident that bilateral and multilateral financing, along with private sector FDIs, will help to realize this vision.

Mr. Chairman, Ladies and Gentlemen,

The Maldives is among the most vulnerable to the effects of climate change and natural disasters. As you would expect, the initial investment cost of projects relating to climate resilient and sustainable infrastructure poses a heavy burden on both the public and private sectors. In 2016, almost 20 percent of public infrastructure spending was allocated for building climate and disaster resilient infrastructure. This includes the industrial village project, which is designed tackle the challenging issue of solid waste management in Male'.

Given the structural constraints in our efforts to mobilize additional domestic resources and the stresses related to debt sustainability, grants and concessional financing are crucial to meet our climate adaptation costs. We need greater support from our development partners in terms of facilitating access to global climate funds through simplified processes. We also need assurance that new and additional funding for adaptation is prioritized to SIDS such as the Maldives.

As we conclude this landmark meeting and embark on the collective endeavor to ensure that our Bank remains at the heart of Asia's revolutionary growth, I foresee with much confidence, the continued strengthening of the Maldives-ADB partnership.

The future is bright! The future is Asia! And the Asian Development Bank remains on-call to support the future development aspirations of a continent.

I thank you! Arigatou gozaimashita!



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-011

MYANMAR

Kyaw Win, Governor

Mr. President, Mr. Chairman of the Board of Governors, Governors, Delegates, Distinguished Guests, Ladies and Gentlemen.

On behalf of the Republic of the Union of Myanmar, I would like to express my sincere gratitude to the Government of Japan and the personnel of ADB Headquarter in Yokohama for your warm hospitality and outstanding preparations for the Annual Meeting this year. I would also like to congratulate President Mr. Nakao and his staff for their impressive performance over the past years.

We recognize the ADB has mobilized more than \$ 250 billion in many areas especially in infrastructure, research, and knowledge sharing to expand opportunities and build prosperity across Asia and the Pacific region over 50 years. Despite tremendous achievements, many challenges are still remaining in the region. We acknowledge ADB's new strategy 2030 to respond to these challenges brought about by a rapidly evolving Asia and the Pacific. We believe this strategy will align with Sustainable Development Goals (SDGs) which is one of the international agreements.

With reference to the report released by the International Monetary Fund in 2016, Myanmar stood at second from the top of the economic progress rate, but the economy of the great powers in the Asia region became slow, with the slowing rate of global economy. According to the international organizations' estimate, we note today's global economic progress is decreasing because of the slump of developed countries' economic progress, the slumping of commodity prices, the decreasing rate of global trade demand, dropping trade demands in the advanced economic market and slowing down of capital flow.

Let me share about some information of current Myanmar. The economy of Myanmar grew between 10-12 percent per annum, mostly due to policy reforms leading to a more liberalized economy. In 2015-2016, Gross Domestic Product (GDP) growth was 7.03 percent, a rate of growth that was expected for 2016-2017 also. The GDP of Myanmar was 56,868 billion in 2015 with a GDP per capita of US \$ 1292, 50 percent increase over the GDP in 2012-2013. Real GDP growth in Myanmar is projected to rise to 7.8 percent in 2016-2017 and average 8.2 percent per year over the medium-term.

In July 2016 the government launched its 12 Economic Policy Priorities and have called upon all government institutions to formulate ministry and sector-level plans in accordance with these priorities. It is also these 12 Economic Policy Priorities that will inform how Myanmar approaches

our country-level strategy toward achieving the Sustainable Development Goals. Taken together, these will provide the fundamental foundations that will guide this government's programme over the coming years. Following this, the investment policy is adopted to support the implementation of the national Economic Policy.

Myanmar created a more attractive investor-friendly environment of the Myanmar Investment Law (MIL) enacted in October 2016 and Myanmar Investment Rules have also been issued in March 2017. The Government of Myanmar have undertaken reforms such as the State Budget Formulation reform, Foreign Exchange rate reform, Public Finance Management System Reform, Conducting Medium Term Fiscal Framework (MTFF), Tax reform, and the State-owned Enterprises' financial management system reform for a better formulation and effective implementation of the monetary and financial policies. The Citizen's Budget for 2015-2016 FY and 2016-2017 FY has been published. Some fiscal information including the Pre-Budget Statement, Citizens' Budget, Budget Law, Year-End Report and Budget Speeches have been published.

We thank ADB for its increasing and active support to Myanmar since its re-engagement with the country in 2012. I am delighted that proposed project investments in the country operations business plan for 2017-2019 are under way. I am deeply thankful for ADB's assistances, as ADB provided Myanmar people not only with extensively helpful loan programs and many other TA programs in various sectors.

We highly appreciate ADB Board of Directors for their support and endorsement of the Country Partnership Strategy (CPS), 2017-2021. We would also like to thank Management and staff for developing the CPS. We welcome this CPS which is a positive signal of ADB's re-engagement with Myanmar. This is ADB's first full CPS for our country, and also the new Government's country strategy agreed with one of the major development partners.

I noted that Information and Communication Technology (ICT) is increasingly part of daily life and a driver of inclusive economic growth, social stability, and sustainable development. In the mean time, electricity is critical for ICTs, and both the energy and ICT sectors should accelerate the deployment of electricity and connectivity to rural areas.

We believe that the CPS's strong focus on infrastructure can help to address some of critical development constraints and bring about the development results which support Myanmar in achieving inclusive and continuous and sustainable development as envisaged by the government's national economic policy manifesto.

We wish the ADB to continue support to achieve its Country Partnership Strategy. We look forward to continue strong and fruitful partnership between ADB and Myanmar in the future.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-031

NEPAL

Krishna Bahadur Mahara, Governor

Mr. Chairman,
President Nakao,
Fellow Governors,
Distinguished Delegates,

Ladies and Gentlemen!

I am delighted to attend this 50th Annual Meeting of the Board of Governors of the Asian Development Bank here in Yokohama. At the outset, on behalf of my delegation and on my own, I express my sincere appreciation to the Government of Japan and the Japanese people for their warm hospitality extended to us. At the same time, I commend ADB for the excellent arrangements made for this Meeting.

I am immensely pleased to witness and acknowledge ADB's five decades long contribution in socio-economic development of Asia and Pacific region. ADB's support has been instrumental in combating the poverty, enhancing inclusive economic growth and overall socio-economic development in the Asia-Pacific. On this occasion, I would like to congratulate President Nakao for your excellent leadership and ADB team for their tireless effort to get the outstanding achievements. I am confident that ADB will be playing pivotal role and help developing member countries to meet their ever increasing development financing needs in the coming days too.

ADB's effort in improving regional and sub-regional economic integration by initiating and investing in trade facilitation and sub-regional infrastructure projects is remarkable. I am happy to note that through SASEC initiative, Nepal has also benefitted in the South Asia sub-region. I believe, ADB's regional cooperation and integration initiatives will greatly benefit developing member countries to increase their regional and sub-regional trade by accessing global value chain network.

I appreciate ADB's multiple funding instruments, which is not limited to ADB's own source alone, but is expanded to co-financing with other Development Partners. This is a good way to minimize the funding gap of the member countries. Further, ADB's initiation to leverage the resources to the private sector is also commendable. I request ADB to further scale up its investment to make strong and vibrant private sector through focused investment. This is the time to expand collaboration among other Development Partners, financiers, and development professionals with the private sector and work together for the prosperity, peace and harmony in the Asia-Pacific region.

Mr. Chairman,

I believe, the merger of ADF resources with OCR has greatly helped to increase ADB's lending capacity. The availability of more resources will definitely help developing member countries to bridge their financing gaps through ADB's lending. But, the low level of disbursement and delay

in project completion has stood as a major challenge both for the government and Development Partners. We need to put a joint effort to address these challenges and make sure that the expected outcomes would be achieved as envisaged in the design phase within the given time line. In this regard, we are giving high priorities on project readiness and developing institutional capacity for project execution effectively. I recommend ADB to align its lending operation and extend sufficient fund in the area of capacity development and institution building to enhance performance.

I do not need to elaborate the impact and intensity of climate change in this region. Our collective efforts are required to combat adverse impact of climate change. In order to address this global concern, I would expect, under the strong leadership of President Nakao, ADB can play a decisive role to meet the need of developing member countries. In my opinion, ADB's initiation in developing a new long-term strategy is an opportunity to align its operation to new emerging challenges of the region and developing member countries.

Mr. Chairman,

Let me now allow to briefly highlight about the current situation of Nepal. I am pleased to inform you that we are at the eve of local election, which is an important milestone for the implementation of new constitution. We are confident that this would lay down a strong foundation to transfer the power from centre to the local governments as envisioned in the constitution. This devolution process is expected to accelerate socio-economic development and deliver the outputs of development to the people in effective and efficient manner. Our upcoming budget for Fiscal Year 2017/18 will be a milestone to equip the local governments with necessary resources.

Furthermore, Nepalese economy has shown positive indication where every macro-economic indicators are as expected. The growth rate for this year has been estimated to be 6.9 percent, which is highest in the past two and half decades. The post-earthquake reconstruction activities have gained the momentum and we are confident that all reconstruction works will be completed on time.

Current 14th National Development Plan has prioritized agriculture, manufacturing, energy, infrastructure and tourism sector. At the same time, we are working on setting up long term development vision for the country aiming to achieve all Sustainable Development Goals and become middle income country by 2030.

Mr. Chairman,

Nepal has enormous potential for its development. We have three distinct climate zones: tropical, subtropical and temperate where we can produce all kinds of agriculture commodities. We have abundant cultural heritage and natural resources for tourism. We have huge hydropower potentials yet to harvest. In addition, we are rich in human resources too. We are putting all efforts and look forward to receiving ADB's continuous and scaled up support in making Nepal prosperous.

Finally, I would once again like to express my profound thanks and appreciation to the people and the Government of Japan for their warm hospitality extended to us. Let me conclude by thanking President Mr. Nakao and the ADB team for their continued dedication to the process of overall development in the Asia and Pacific region.

Thank you!



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-023

THE NETHERLANDS

A.C.C. (Christiaan) Rebergen, Alternate Governor

Chairman Aso, President Nakao, distinguished Governors, Ladies and Gentlemen.

I would like to touch upon water and climate challenges in Asia. By 2050, around 1 billion people in Asia are estimated to experience severe water scarcity. The main causes are climate change and increasing water demand due to industrialisation and population growth. Climate change will also lead to more frequent and extreme draughts and floods. Improving water management, irrigation and flood protection in Asia is therefore urgent.

ADB is an important player in the field of water in Asia, mainly for drinking water and sanitation, and to a lesser extend for irrigation. The Netherlands would like to see this focus expanded to include other important issues: integrated water resources management and flood protection, as well as an increased link between water and food security. That is why I am happy to announce here today that The Netherlands has decided to make a new contribution of 9.5 million US dollars to ADB's Water Financing Partnership Facility for exactly those topics. We hope that other member countries will also consider contributing to these important objectives via the Water Financing Partnership Facility.

Furthermore, I would like to mention the "Delta Coalition". Last year, this unique coalition was launched in the Netherlands. It consists of twelve countries that face similar challenges regarding their deltas and have joined forces sharing know-how and experience to make them more resilient. One of the key goals of the Delta Coalition is to increase opportunities for financing projects that will reduce vulnerability to climate change. Given its important role in climate change adaptation, the ADB could play a valuable role in advocacy, financing and implementation in this coalition which already includes seven regional ADB member countries.

Finally, an enhanced role of the ADB in more sophisticated and innovative projects in water and climate adaptation should also be a key element of Strategy 2030. "Key", because it would allow the Bank to be a true knowledge Bank. "Key", because it would enhance the Bank's catalytic impact. "Key", because it would be crucial for maintaining the Bank's comparative advantage in addressing the most pressing development challenges in Asia.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-032

NEW ZEALAND

Amy Adams, Governor ad interim

Kon'nichiwa and good morning Honorable Governors and President Nakao.

We thank the Japanese Government for their warm welcome and generous hosting.

The New Zealand Government would like to take this opportunity to celebrate the Asian Development Bank's 50th anniversary and reflect on the significant development achievements and remaining challenges within the region.

Since its founding, the Asian Development Bank has become a trusted partner for developing member countries, helping its clients improve physical connections within and between countries in the region; and improve energy supply and access to clean water.

We acknowledge and celebrate the Bank's critical role in the 50-fold increase in GDP and the 80% fall in poverty over the last 50 years.

As we celebrate the Bank's 50th anniversary, it is also important to look to the future.

The environment in which the Asian Development Bank will operate in the next 50 years is radically different than the past.

We welcome the consultation on the future shape of the Asian Development Bank as substantial growth presents a unique opportunity to transform the Bank.

It will be important to build on the Asian Development Bank's strengths, but also be more adaptable and flexible as the challenges grow more diverse. A sense of urgency needs to be at the centre of the new strategy; daunting challenges remain in the region and this has been reinforced by discussions at this Annual Meeting.

We fully support the Asian Development Bank remaining engaged with Upper Middle income countries. But, this engagement needs to be on a highly-selective basis, to deal with pockets of poverty and to deliver regional public goods – for example, on climate change adaptation and mitigation.

Partnerships with the UN and other multilateral and community-based organizations should be an important part of meeting the needs of such countries.

Engagement in upper middle income countries needs to be balanced by a strong focus and greater differentiation in approaches to ensure a more effective approach in fragile and vulnerable states.

On the Banks's 50th anniversary it's appropriate to reflect on the requirements of the Charter for special attention to be paid to smaller member countries.

The Asian Development Bank leadership has been active and engaged on scaling-up effort in the Pacific, working with New Zealand over the past few years.

We also welcome implementation of measures that will improve delivery and allow for more flexibility in more vulnerable economies. To make sure we see the outcomes desired, resolute and careful implementation of the reforms will be needed.

The sharp increase in lending planned as a result of the merger also poses a particular challenge. Further improvements in terms of timeliness and sustainability are critical to ensure projects deliver a return to client countries. And this will require sufficient administrative resources over the next few years to ensure that higher lending results in quality development and the Bank adds value as well as providing additional finance.

Mr. President we thank you, your management team, and Asian Development Bank staff – past and present.

New Zealand has been on this journey as a committed partner for 50 years and looks forward to continuing our work together.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-017

NORDIC MEMBER COUNTRIES

Morten Jespersen, Governor for Denmark

(on behalf of Governors from Denmark, Finland, Norway, and Sweden)

Chairman Aso, President Nakao, distinguished Governors, Ladies and Gentlemen.

On behalf of the four Nordic countries – Denmark, Finland, Norway and Sweden – let me express our sincere appreciation of the “Omotenashi” provided by the host government and the city of Yokohama. Our heartfelt thanks also go to ADB management and staff.

The Nordic countries support the adoption of a new 2030 strategy that should be conceived in close and open consultations with stakeholders. The strategy must ready the bank for the challenges of the 21st century by creating truly sustainable and inclusive development.

Firstly, it is important that the 2030 strategy, the new Climate Strategy and a renewed Energy Policy makes ADB a greener bank. We have all signed up to important climate and energy commitments at the COP21 and through the Sustainable Development Goals.

ADB must be a leader in improving livelihoods by ensuring investments in clean technologies. Making ADB a greener Bank means that climate, energy and highest environmental standards should be part of all aspects of its operations.

The Paris agreement will be of tremendous importance for the global response to cut emissions and to handle effects of climate change. It is now more important than ever to emphasize that it is both necessary and possible to reach the Paris goals.

We expect to see a comprehensive plan to assist client countries in implementing their Nationally Determined Contributions (NDCs).

Sustainable technologies, including renewable energy, are the answer to several of Asia’s challenges: Both mitigating and adapting to climate change as well as a transition through Green Growth from middle-income to high-income economies that many of the countries in the region are facing.

ADB should continue to play a catalytic role in promoting clean energy and scale-up co-financing of clean energy. We believe that IFIs’ investments in and support to fossil energy should ultimately be phased out.

Secondly, gender equality as a prerequisite for achieving sustainable and inclusive development and growth must be a high priority for the bank. This is about allocating resources to whole populations; to include all members of the society in development and growth; and to leave no one behind. Until all discrimination against women and girls has been eliminated it is our common responsibility to promote rights, representation and resources for women and girls, all around the world. It is not only about human rights and inclusive development but also about acknowledging the fact that many trillions of USD could be added to global growth by facilitating women's integration into the workforce.

Gender equality is essentially a prerequisite for achieving inclusive and sustainable growth and development. The ADB should allocate more resources to the promotion of gender equality in all projects and in all stages of the project life cycle.

There is a need to improve the gender balance in the ADB. Recent HR initiatives are steps in the right direction, but more must be done. We expect ADB to hire, promote and retain more female international staff, and to make the Bank a more attractive workplace for women.

In order to fulfill our development commitments and meet Asia's vast infrastructure demands, there is a need for a greater Private Sector role. ADB approvals of private sector financings were in 2016 only 17% of total approvals, slipping further from the target of 25%.

Today ADB private sector operations lack the scale, depth and product range to make a substantial difference in the region. This is especially notable when compared to other multilateral partners.

We welcome a new Private Sector strategy and call for a comprehensive plan to meet the challenges as well as the already established targets for private sector operations.

We wish to acknowledge the important strides that Bank has made in delivering a more effective organization. Management must continue to strive for excellence and ensure that ADB is an efficient and effective organization with the highest ethical standards.

It will be important that ADB's retirement plan is put on a sustainable track and the Nordic countries strongly support a retirement age of minimum 65 years in line with international standards.

On behalf of Denmark, Finland, Norway, and Sweden allow me to assure you of our continued engagement with the ADB and the Asia Pacific Region.

We look forward to continue working with you to build a greener bank with a better gender equality and a stronger role for the private sector.

Finally, we wish to congratulate ADB on its 50th anniversary. Its growth and establishment represents a true spirit of regional cooperation.

Mr. Chairman, Mr President, fellow Governors, we thank you for your attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-042

PACIFIC DEVELOPING MEMBER COUNTRIES

Minister Aiyaz Sayed-Khaiyum, Governor for Fiji

(On behalf of Governors from Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu)

Mr. Chairman

President Takehiko Nakao

Fellow Governors

Ladies and Gentlemen

It is my pleasure to address the 50th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB), on behalf of the fourteen Pacific Developing Member Countries (PDMC) consisting of the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of Marshall Islands, Nauru, Papua New Guinea, Republic of Palau, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu.

We congratulate the ADB on its 50th Anniversary and for the excellent preparations and arrangements made for this Annual Meeting. We would also like to express our gratitude to the Government of Japan and residents of this beautiful city of Yokohama for their warm welcome and hospitality.

As the ADB celebrates 50 years of economic development in the region, we join our fellow Governors to recognise and compliment the remarkable progress that the Bank has made since inception. In this respect, Mr Chairman, we express our strong support for the ADB 2030 Strategy.

On behalf of the PDMC Governors, I wish to thank the ADB President and management team for meeting with the PDMC Governors to discuss issues relating to our common developmental challenges and opportunities. I would also like to acknowledge and sincerely thank the ADB for scaling up its support and increased presence in the Pacific. This has resulted in a notable five-fold increase in ADB's portfolio in the last 10 years – from US\$500m in 2006 to US\$2.6 billion at the end of 2016. As you are aware, the PDMC has a population of approximately 11 million people spread out over hundreds of small islands spread over an oceanic expanse of 161 million square kilometers.

Mr Chairman, while the Asian region has forged further ahead and became a key contributor to global growth, many of our idiosyncrasies including the physical size of our Pacific islands, diseconomies of scale and geographical isolation from large markets have collectively weakened our ability to leverage and benefit from a thriving Asia and the rest of the world.

In addition, our greater vulnerability to climate change and natural disasters results in more drain on fiscal revenue and resources to meet the adaptation and rehabilitation efforts which in turn constrains funds needed to expand the network and the size of our infrastructure to spur growth on a sustainable basis.

While ADB has consistently served as a key development partner to the PDMC and has provided invaluable financial and technical assistance in many areas such as transport, infrastructure, rural and urban water supply and sanitation, and renewable energy, there are a number of concerns that the PDMC Governors have unanimously agreed to at various forums such as the recent 2017 IMF-WBG Spring Meeting and the Forum Economic Ministers Meeting held in Fiji last month.

Mr Chairman, the PDMC Governors discussed and deliberated a number of key concerns at the 27th Informal Preparatory meeting held on the morning of Wednesday, 3 May 2017. These are:

1. Fragility and vulnerability

It is proposed that a nuanced approach to measuring and indexing vulnerability and fragility be embraced to enable access to concessional finance when it is necessary. To this end, we need to look at trigger-based mechanisms, where countries can access concessional financing in the event of adverse climatic events. Adverse climatic events can even put those countries that would not normally be classified as vulnerable states into that of one. This is so because even singular, high intensity and erratic climatic behavior can set back the economies of some states for decades. This would require special treatment and consideration. Embedding vulnerability and fragility in the Multilateral Development finance is essential for our adaptation, prudent fiscal management and meeting the sustainable development goals by 2030.

2. Fast-tracking administrative processes in the disbursements of funds by the Green Climate Fund (GCF)

Mr. Chairman, the PDMC have raised strong concerns on the painfully slow response from the Green Climate Fund (GCF) with regards to the disbursement of funds for approved projects. This has a derailing impact on national budgetary processes and planning. Significant delays can render elements of the envisaged project irrelevant over time, increase project risks, and hence raise the costs of financing.

We seek the ADB's assistance to facilitate and streamline the current bureaucratic processes of GCF. The PDMC further propose that the ADB step-in to provide those approved GCF funds as this will enable expeditious commencement and completion of projects.

3. ICT Development for enhancing Digital Financial Solutions and e-Public Services

PDMC would be grateful for further assistance from ADB to leapfrog the ICT related development, and digitization of financial inclusion initiatives in the provision of services to our citizens.

4. Public Private Partnership (PPP)

Mr. Chairman, given that the ADB has the expertise and knowledge base in the area of Public Private Partnerships, the PDMC requests if the Bank could provide the necessary support and advice to roll-out capital projects through PPPs. This will not only assist to spread out the overall risk but it will also ease the upfront capital requirement. In addition, the private sector can also

bring in the much needed innovation and expertise related to public sector investments. This approach can also be used to enhance private sector participation in climate change adaptation finance and initiatives.

5. Building necessary capacity

The regional peer-to-peer learning through the Pacific South-South Co-operation can be further harnessed to capitalise on the home grown talent in the region. We urge the ADB to work with relevant development partners in the region to coherently coordinate this initiative of leveraging the localised expert and knowledge base within the region.

6. Integrating Rescheduling options in MDB Loans

Mr Chairman, the PDMC would like the ADB to strongly consider in our loan documentation going forward, and also in existing agreements, a provision that allows us to reschedule payments in the event of adverse climatic events. We understand that this has already happened in the Caribbean and we request the replication of this arrangement for the PDMC. This will demonstrate that climate change and its impacts are being mainstreamed and it will provide that psychological boost to PDMC.

7. De-risking and remittances.

Mr Chairman, remittances is one of our major sources of foreign exchange. PDMC notes the importance of the issues of de-risking and the withdrawal of correspondent banking relations to the Pacific region in terms of facilitating growth and development prospects. Losing or reducing these financial services has a detrimental effect on our economies. It is in this light that we urgently request the ADB's assistance in facilitating a regional forum to bring together Pacific banks and their supervisors and regulators (including Australian banks and their supervisors and regulators) to find an amicable solution. This will complement the current efforts applied by the International Monetary Fund and the World Bank.

8. Further increasing ADB minimum allocation

Mr Chairman, the PDMC Governors appreciate the ADB scale up in the Pacific but hope that as part of the ADF 12 mid-term review, ADB can further increase minimum allocations consistent with other multilateral development partners. This will especially benefit the smallest and most vulnerable countries.

Mr Chairman, the PDMC calls on the ADB to support our outlined efforts as well as setting milestones and definitive timelines for the respective initiatives that are to be actioned. However, I am pleased to highlight that in our discussions with President Nakao, senior management and other ADB officials, we have been informed that the concerns that we have raised will be given earnest consideration and we look forward to achieving these objectives at the soonest.

Before I close Mr Chairman, I'd like to state that the PDMC will continue to work as a collective group to support each other in the global arena, such as in the upcoming COP23 meeting in November in Bonn, Germany when Fiji will formally assume the Presidency. This is an honour not only for Fiji but for the PDMC as it will be the first time a PDMC has been given the COP Presidency. Our focus will be to safe guard the Kyoto Protocol and further advance and implement the Paris Agreement. This of course will be done through the advancement of the Rule Book, re-enforcing the climate action agenda through the collaboration of the many non-state stakeholders

including civil society and the private sector. As part of our Presidency, we wish to get the global community to understand the need to adjust the current skewed permutation of the Climate Finance Facility. Instead of 80% of these funds being skewed to mitigation and only 20% for adaption, we must get more funds allocated for adaptation from the current pool of funds.

Mr. Chairman while PDMC may be on the coal face of bearing the brunt of climate change in particular through rising sea levels and heightened and erratic climate events, climate change is a global issue. It has as much relevance to Asians, Americans, Africans and Europeans. It has an impact on food security, sustainability of livelihoods, our biodiversity and quality of life. It has and will have an impact on profits and sustainability of commercial and financial interest. It will have an impact on human survival. So we look forward to all your support in this global effort.

Mr Chairman, on behalf of all PDMC Governors, I would like to express our sincere appreciation to you and management of ADB for the on-going support to PDMC. The PDMC assure their unwavering support to ADB in implementing these initiatives. We also look forward to hosting you all for the first time in the Pacific when Fiji will hold the 2019 ADB Annual Meeting.

Thank you, Mr Chairman.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-043

PAKISTAN

Muhammad Ishaq Dar, Governor

Honourable Chairman Taro Aso,
President Nakao,
Fellow Governors,
Distinguished delegates,
Ladies and gentlemen,
Good Morning!

My heartfelt thanks to government and people of Japan, for warm reception and hospitality being extended to the delegates during the 50th annual meeting of the Asian Development Bank.

I congratulate President Nakao, ADB's management and staff, on organizing a successful event in this beautiful host city of Yokohama

As this Annual meeting marks ADB's 50th Anniversary, an occasion to celebrate ADB's achievements I extend felicitations to ADB President, Fellow Governors & ADB Management on their contributions towards economic development and poverty reduction in Asia-pacific region over past 50 years. Only in last 2 decades, Asia registered 7% growth rate, average per capita income increased from US\$ 1600 to US\$ 4980+ and based on income below \$ 1.25 per day, poverty line fell from 54% to 22%.

It is commendable the way President Nakao and his team is pursuing reform agenda in the setting of medium-term review, Strategy 2020. The strategy has been realigned to ensure effective implementation by streamlining business processes and undertaking organizational reforms in the wake of emerging development challenges being faced by the Asian and Pacific region.

We also appreciate ADF-OCR merger which has enhanced ADB's financial resources to provide greater support to developing member countries.

"Asia Miracle" + "Rapid Asia progress" have found undoubtedly great contributor and partner in the shape of their family doctor ADB.

We are impressed with reforms and initiatives implemented under President Nakao's leadership and Pakistan looks forward to enhancing partnership with ADB and fellow member countries.

ADB's initiatives for regional connectivity projects like CAREC are praiseworthy as "financial and economic integration as well as regional connectivity" is the future way forward for even better successes for Asia Pacific.

Ladies and Gentlemen,

Availing this opportunity, let me share with you some good news on economic turnaround and macroeconomic stability achieved by Pakistan during the last four years, owing to successful implementation of a comprehensive structural reforms agenda which has been recognized by credit rating agencies, international financial institutions, development partners, think-tanks, independent economists and experts.

Pakistan's economy continued to maintain its growth momentum above 4% for the 3rd year in a row with real GDP growing at 4.71% in FY 2016, the highest in eight years. In the current fiscal year ending 30th June 2017, we are expecting GDP growth above 5%. Inflation has been brought down to single digit around 4% in FY 2017, the lowest in 47 years. In addition, an effective resource mobilization strategy has helped in increasing tax collections by 60% over 3 fiscal years, a 20% average annual increase. As a result of these efforts, the government has successfully brought down the fiscal deficit from 8.2% in FY 2013 to 4.6% in FY 2016 and projected at 4.1% for FY 2017. However, despite curtailing fiscal deficit, we have not only maintained but also significantly increased allocation to the social safety net program from Rs. 40 billion to Rs. 117 billion and national development spending from Rs. 625 billion in FY 2013 to Rs. 1600 billion in FY 2017.

Ladies & Gentlemen,

After achieving macroeconomic stability, now our focus is on achieving sustainable, inclusive and higher growth and our target is to reach GDP growth rate of 7% by FY 2019. Pakistan's economy is on the rise and we are open for business offering attractive investment opportunities.

Thank you for your time and attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-56

PAPUA NEW GUINEA

Dairi Vele, Alternate Governor

Mr. Chairman, Mr. President, fellow Governors, distinguished representatives, ladies and gentlemen, it is indeed a great honour for me to present my statement at this prestigious 50th Annual Board of Governor's Meeting of the Asian Development Bank.

I take this opportunity to convey my country's warm greetings and sincere gratitude and appreciation to the people and Government of Japan for hosting this annual meeting in this beautiful city of Yokohama. I would also like to extend our sincere gratitude to the management and staff of the ADB for the marvellous arrangements made for this important meeting.

As a developing member country, we acknowledge and highly value the ADB's continuous commitment to deepen its knowledge and understanding of our development priorities and challenges as well as those of our Pacific Island neighbours. We stand with our Pacific Island friends to work together and support each other in addressing our many common development challenges.

I would also like to take this opportunity to thank the ADB for the ongoing assistance to Papua New Guinea. ADB is PNG's second largest multilateral development partner. As of 31 December 2016, the active funding portfolio totalled US\$876.4 million, comprising US\$769.6 million loans, US\$104.8 million grants, US\$2 million technical assistance projects and 2 loan and equity projects in the private sector. We value the ADB's continued contributions in this regard and look forward to enhancing our mutual partnership for shared development outcomes.

With regards to PNG's economic performance, the developments in the global economy through low commodity prices and drought in the domestic economy have impacted economic growth and the fiscal position of the Government.

In 2016, the economy is estimated to have grown by 2.0 per cent, compared to 10.5 per cent growth estimate in 2015. This is reflective of prevailing low commodity prices, lower than anticipated production from the mining and gas sectors and drought affecting the agriculture sector. This is further exacerbated by the reduction in Government spending in the economy and the shortage of foreign currency to service import demands.

In 2017, the economy is projected to gradually recover at 2.8 per cent, driven by the improvements in the agriculture and the mining sectors supported by growth in the other sectors of the economy. The non-mining sector is expected to grow by 2.3 per cent in 2017, an increase from 1.6 per cent in 2016. Growth in this sector is expected to be supported by the election related spending, preparations for 2018 APEC meetings and continued government investment in key transformational infrastructures.

Over the medium term, growth is expected to return to trend growth of close to 3 percent annually. This is expected to be driven by the traditional sectors of the economy primarily the agriculture, forestry and the fishery sectors provided prevailing conditions continue to improve, bottlenecks in the production process are removed to enhance productivity, increased access to markets and continued improvements in global commodity prices. Growth over the medium term is expected to be supported by the other non-mining sectors of the economy, such as the construction and services sectors. Key to continued growth in these sectors is underpinned by reduced cost of doing businesses such as utility cost, improved infrastructures, productive human resource, timely availability of foreign currencies and increase in aggregate demand in the economy.

On the fiscal front, the weak economic activity in 2016 has translated into weak fiscal performance in 2016. In the 2016 Final Budget outcome, Government revenue fell by 17.1 per cent against the original 2016 Budget and 10.5 per cent against the 2016 Supplementary Budget. Consequently expenditure fell by 8.1 per cent against the original Budget and 1.9 per cent against the 2016 Supplementary Budget. These have translated into a net borrowing of K3,086.9 million which is 4.6 per cent of GDP and increased debt to GDP to 32.6 per cent or K21,944.0 million.

In 2017 and over the medium term, the fiscal strategy is to pursue an orderly fiscal consolidation path that promotes fiscal sustainability and macroeconomic stability with a view to achieve a small surplus beyond 2021. The strategy will focus on improving the quality of expenditure, prioritisation and reallocation of spending on goods and services from non-essential to productive areas; and revenue mobilization, such as refining and broadening of the tax system to promote efficiency and a sustainable revenue base.

The K13.3 billion National Budget for 2017 was passed by Parliament in November 2016. It is designed to chart a *Responsible Fiscal Consolidation for Future Growth and Development*. In light of a global downturn, the Government has been and will continue to adjust its policies and expenditure to reflect available resources.

Recognising that economic growth is a necessary but not sufficient condition for prosperity and advancement, the Government will maintain its investments in the fundamental areas of education, health, key infrastructure and law and order. Ensuring we have a free, fair and safe General Elections in 2017 and the necessary expenditures related to the hosting of APEC in 2018.

The ADB's focus on key infrastructure developments such as roads, airports, bridges, port developments including the energy sector, private sector development initiatives and support to the health sector are highly appreciated by our Government. They provide much needed relief for our people and the businesses that depend on them.

In the energy sector, PNG Government acknowledges the assistance provided by the ADB through the Town Electrification Investment program and the Port Moresby Grid project. These are important projects that are aimed at developing PNG's renewable energy and electricity coverage in the country. We remain committed to seeking further technical assistance in this regard.

The Multitranche Financing Facility (MFF) is a good modality for financing in PNG and we request that future assistance is delivered through the MFFs, especially to large infrastructure projects. To this, we are pleased with the outcome of the negotiation for the US\$1,015 billion loan facility for the Sustainable Highlands Highway Investment Programme over ten (10) year period.

The PNG Government also recognises ADB's contribution to the work on improving labour market challenges in the Pacific region through supporting infrastructure investment to support local employment opportunities. We look forward to the release of the study on improving labour market outcome in the Pacific conducted by the International Labour Organization (ILO) in partnership with ADB. On that note, we would potentially seek ADB's expertise in this area.

To conclude, let me say that the PNG Government values our mutual relationship, and we look forward to continue working in partnership in addressing many of our development challenges. In that regard, let me congratulate the ADB for recognising our development priorities and incorporating our aspirations into our partnership strategy. I believe that this partnership will help us focus on critical projects that will benefit our people.

The PNG Government commends the work of the ADB in PNG and looks forward to continuing collaboration to foster growth, prosperity and opportunity for all.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-002

PHILIPPINES

Carlos G. Dominguez, Governor

Chairman Aso, President Nakao, Fellow Governors, Ladies and Gentlemen:

On behalf of the Philippines, I would like to thank the Government of Japan for hosting the 50th Annual Meeting of the Asian Development Bank. I wish to express my appreciation to the people of Yokohama for their warm welcome.

The Bank's 50th year should be as good a time as any to review the work done and rethink future roles this institution might play in the strong emergence of the Asia-Pacific as driver of world economic growth. The region's share of global GDP more than tripled since this institution was established. From an initial capital of US\$1.1 B in 1966, the Bank is now capitalized at US\$147 B. From 31 member countries in 1966, the ADB now counts 67. The Bank's lending capacity is expected to grow to US\$20 B in 2020, up significantly from only US\$13 B in 2014.

The increase in the magnitude of the Bank's capacity to support regional development will, I hope, not diminish its agility and its flexibility. We find ourselves in a world very different from the conditions pertaining 50 years ago. We are witness to a strong reaction to a global regime of open trade. This reaction takes the form of rising populism and protectionism, a growing distrust for trade and an increased inclination for autarky. The region encompassed by the Bank seems threatened by the outbreak of old hostilities and by massive calamities associated with climate change.

We understand that the social tensions underlying the reaction derive from highly uneven growth in many of the economies in the region. While managing geopolitical tensions is beyond the Bank's mandate, this institution should play a more effective role in fostering inclusive growth and reducing disparities. This institution ought not to be enveloped by the miasmal mist that could stymie our collective effort to bring development to the communities in most need.

Over the last fifty years, the ADB mobilized US\$250 B to help fight poverty in the region. That is an impressive number, taken at the aggregate. It is dismal when set against the current size of the regional economy, the population our development efforts need to assist and the pace at which individual member-economies need to grow. In a word, our world has grown. It has also changed. The member economies have new needs. The Bank must rethink its own programs to continue being relevant.

The Philippines is today among the fastest growing and most dynamic economies in the Asia-Pacific. This growth is helped by low inflation, improved fiscal performance and strong external balances. We are fully committed to take advantage of favorable conditions to achieve sustained annual GDP growth of 7%, attainment of high middle-income status by 2022 and reduction of

poverty incidence to 14% over the medium term. The ADB has consistently supported Philippine development. The institution is one of the country's biggest sources of official development assistance. There is, however, much room for improvement in our relationship. The Bank can better tailor its assistance by fashioning well-coordinated and innovative financing to suit our current development needs --- particularly in relation to the massive investments in infrastructure and human capital we intend to make. We are happy to note that the ADB is aligning its upcoming Country Partnership Strategy 2017-2022 with the development priorities outlined in the Philippine Development Plan 2017-2022. We will need increased assistance as we attempt to break out from the regime of moderate growth as we navigate a rapidly changing global context. We look forward to improving the efficiency and sustainability of project designs. We anticipate better orchestration of our efforts.

The ADB should, in the coming period, redefine its niche in the new universe of multilateral development banks. Closer collaborative efforts among the multilateral development institutions should optimize capacities and make our responses to both challenges and opportunities more timely.

On the occasion of this 50th Annual Meeting, allow me to both express sincere appreciation for the Bank's staunch support as well as challenge the institution be stronger, better and more responsive.

I do look forward to this meeting's fruitful outcomes.

Thank you and good day.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-010

PORTUGAL

Jorge Costa Oliveira, Alternate Governor

Mr. President,
Mr. Chairman,
Dear Governors,

I would like to begin by expressing my warmest gratitude to the Government of Japan for hosting this Annual Meeting, namely for the excellent organization and warm hospitality. This is my first ADB meeting and I am very pleased to represent Portugal in such an important event, which also commemorates the 50th anniversary of this Institution.

As you are aware, the Portuguese economy is gradually, but steadily, recovering. Portugal is back to convergence with Europe, growing even at faster rates than the euro area average. Unemployment is now at 2009-levels and job creation more than doubles the European average. Our public deficit fell down to 2% of the GDP in 2016, the lowest level of the last 40 years. Our external current and capital account has been in surplus for five years in a row, reaching almost 2% of GDP in 2016. As a small open economy, we are committed to deepen our engagement with ADB, which we perceive as a strategic partner and a catalyst for international economic cooperation in Asia.

At the same time, we are conscious of the development needs of the region, both in terms of hard and soft infrastructure, which the Bank's most recent flagship study estimates to be at around USD 1.7 trillion per year until 2030, if we are to maintain the efforts currently underway to tackle poverty and promote growth in an economic, environmental and socially sustainable manner.

Raising the profile of ADB in Portugal, and in Europe as a whole, is an important goal, if we are to secure a more active involvement of our private sector in projects and initiatives that count with the support of the Bank. In this regard, we welcome the High Level Business Opportunities Seminar hosted in March 20 in Lisbon, with the participation of three director-generals of this institution. The feedback was very positive from both sides and we hope to forge closer ties between ADB and our economic agents in the near future.

Ladies and gentlemen,
Turning now to ADB broader issues, I would like to mention three topics.

First, we commend the transfer of ADF [Asian Development Fund] loans and assets to the OCR [Ordinary Capital Resources] balance sheet. We believe that this operation provided the Bank with an unprecedented financial muscle, which will materialize into an increase of operations. We are positive that this transfer will have a positive impact in the development efforts currently underway in the region.

Second, ADB has been in the market for 50 years now: its value added is clear, its policy dialogue capacity has a long standing and successful record, and its know-how is quite vast. However, efficiency gains are also very important. Delivery is important and ADB also needs to be leaner and faster. This is one aspect where improvement is critical. We commend the efforts the Management has made to review and simplify internal procedures aiming at cutting, in a sizeable manner, the time spent in the project cycle, from project identification to Board approval and first disbursements. Competition in the landscape of development and project financing is strong, not only multilaterally, but also with bilateral and domestic sources of financing. ADB needs to keep moving forward with this agenda.

Third, we think that the process of drawing the 2030 Strategy, one of the topics discussed in this Annual Meeting, needs to be inclusive and bring all stakeholders onboard. Special attention needs to be dedicated to the role that ADB will play in Middle Income Countries, where a more robust framework may be needed in order to achieve the set out development objectives. In fact, these countries have different demands when compared with the poorer developing countries, which benefit from a wider range of sources of financing, both domestically and in the international markets. Targeted solutions, in line with the Agenda 2030 and the Sustainable Development Goals, are key if we want to make the difference in the Asia-Pacific region.

Ladies and Gentlemen,

Allow me one final word to reiterate, as the Bank forges ahead a new and ambitious agenda amidst a fast-changing economic and financial landscape, Portugal's willingness to work with the current Management and with all shareholders in order to achieve the mandate of this important institution, which is as relevant now as it was 50 years ago.

Thank you for your attention.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-014

SINGAPORE

Heng Swee Keat, Governor

I thank the Government of Japan for hosting the 50th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) and President Takehiko Nakao for the excellent meeting arrangements.

Let me congratulate the ADB as it celebrates its 50th anniversary this year. The ADB's membership has increased from 31 members when it was established in 1966, to 57 members today. As a key development partner in the region, the ADB has grown in tandem with its members. For example, between the late 1960s and 1980s, the ADB facilitated several development projects in Singapore during our early post-independence years, including the expansion of lending activities at the Development Bank of Singapore (DBS), the expansion of our first international airport at Paya Lebar, and the building of the National University Hospital. Singapore is grateful to have benefitted from the efforts of the ADB as the institution grew from strength to strength. As an active contributing partner, Singapore hopes to continue playing a meaningful role in the Bank's important work of promoting regional development. Given Singapore's own development history, we appreciate the role that the ADB plays in transforming economies and lifting living standards in Asia.

In the last 50 years, Asian countries have made good progress in development. At the same time, new needs and challenges have surfaced, calling for new solutions and new ways of delivering them. In this context, and as the ADB scales up its operations following the merger of the Asian Development Fund (ADF) with Ordinary Capital Resources (OCR), I commend the Bank for its forward-looking approach and initiative to make itself "Stronger, Better, Faster". The ADB's draft strategy paper, Strategy 2030, recognises increasing diversity in the economic strengths, development needs and capacities of its member countries. It outlines the engagement principles as well as strategic initiatives that the ADB should adopt to advance the economic, social and institutional development of its developing members, and to align them with new international priorities such as the Sustainable Development Goals. In this regard, I would like to highlight two important aspects of Strategy 2030, which will allow the ADB to fulfill its mission in a changed environment: (i) catalysing private sector funding; and (ii) providing sustainable urban solutions.

First, the ADB has estimated that the infrastructure financing needs for the region will grow to \$26 trillion by 2030. Because of its long-term nature and the large and costly projects entailed, infrastructure development poses challenges for governments from countries across all stages of development. The ADB's continued focus in Strategy 2030 of optimising its balance sheet and catalysing private sector investment will help support the region's pressing infrastructure needs; while mobilising multiple sources of financing and activating partnerships of various forms will bring in more innovative and efficient ways of doing so. Singapore looks forward to continued collaboration with ADB in this area. We especially welcome efforts by the ADB to improve engagements with the private sector to step up financing and investment operations – this is an opportunity for governments to enlist the private sector to design and implement innovative

infrastructure solutions. We would also like to encourage continued efforts to enhance the capacity of capital market regulators and to support the ASEAN Capital Markets Forum's (ACMF) implementation of regional integration activities such as the ASEAN Collective Investment Scheme; Streamlined Review Framework for ASEAN Common Prospectus; and the promotion of green bond issuance by ASEAN issuers.

Second, Asia's rapid urbanisation is driving up the need for sustainable urban solutions and financing. Strategy 2030's proposal to add value through facilitating the transfer of technology and knowledge in sustainable urban solutions is therefore timely. We heartily support the efforts by the ADB to partner entities and institutions to transfer their experience and knowledge on successful urban solutions to developing member countries, and believe, indeed, that member countries stand to gain much by working together and learning from one another in this area. Singapore will continue to work and learn together with ADB and member countries. Where it may be of benefit to fellow members, we stand ready to contribute as a knowledge partner to share our experience in long-term planning and urban governance, in areas such as water, greening and solid waste management. We hope to continue enhancing our partnership through research institutions and platforms such as the Lee Kuan Yew School of Public Policy, Third Country Training Programmes and the Singapore Water Academy to catalyse broader adoption of financially and environmentally sustainable practices. In the urban solutions space, and many other areas, we remain an attentive student, looking forward to growing from and getting better with the insights and experience from fellow ADB members.

Singapore's relationship with the ADB and its members is one of shared history, continuous growth, and mutual learning. Together with a "Stronger, Better, Faster" ADB, we look forward to and are confident of many more years ahead of shared growth and learning for the ADB and Asia. As we celebrate the significant milestone of ADB's 50th anniversary, we reaffirm our commitment to continued collaborations with the ADB and member countries, towards making a positive impact on our people's lives.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-038

SPAIN

Javier Sanz, Temporary Alternate Governor

Mr. Chairman, President Nakao, Fellow Governors, dear colleagues,

First of all, I would like to thank the Government of Japan for the hospitality and excellent arrangements for this 50th Annual Meeting.

2017 is an important milestone for the Asian Development Bank as we celebrate five decades of impressive economic development in Asia and the Pacific. Over these 50 years, ADB has mobilized more than \$250 billion, a huge development effort that has supported the improvement of millions of people's living conditions in the region.

The Asian Development Bank has a strong position to face the future. The theme chosen for this Annual Meeting, "Building together prosperity of Asia", recalls the genuine spirit of ADB's founding partners within and outside the region when they conceived an Asian institution that would serve closer economic co-operation as a mean for accelerating the economic development of Asia.

Under President Nakao's leadership the Bank has strengthened its financial resources mainly through the successful ADF-OCR merger. This operation is already providing its first results with the expansion of resources available to borrowing member countries with enlarged funding.

Spain greatly appreciates all the implemented initiatives that contributed to secure the Bank's long-term sustainability. The decisive revision of the Staff Retirement Plan, among other reforms, will help to expand ADB's lending capacity. Besides, the recently approved procurement reform has set the stage to promote and favor ideas which can add higher value to ADB-led projects.

ADB has become not only financially "stronger" but also truly "faster". The important efforts carried out to become more efficient on the ground, building skills and providing better services to client countries, are showing a much-needed reduction in loan processing times, one of our long-standing flaws, as well as an improvement in ADB's effectiveness and efficiency.

ADB is also "better" in the sense that through the decentralization of power and staff to resident missions, the Bank is closer and more responsive to borrowing countries' needs. The wide pool of resident missions nowadays represents a fundamental asset and a comparative advantage to ADB among its peers, and thus deserves duly recognition.

Despite all these progresses, the challenges remains paramount looking forward. Strategy 2030 must be properly fashioned to face these challenges. Three ideas about this point:

1. **Inequality.** Together with poverty, inequality has turned into a major concern. There is a growing need for inclusive actions to make sure the benefits of growth are largely shared among populations, making the economic and social transformation available for all. The bank should look beyond the macroeconomic figures to address the needs of the most vulnerable groups regardless the country they live in.
2. **Private sector.** Since more and more economies in the region are becoming middle income countries, attention to private sector development becomes paramount. Private companies are essential to generate jobs, create fiscal space and support innovation and productivity.
3. **Coordination to be ambitious.** If you walk fast, go alone; but if you want to go far, look for partners. The goals set by the international development community, in particular by both, the SDGs and the COP 21, are so ambitious that can be reached only through close coordination.

Cooperation amongst peers, especially the Green Climate Fund, is essential to fulfill the climate change objectives; and proper support to countries is needed to support the country determined contributions. The bank itself needs to become as “greener” as possible.

The SDGs force the development community to move from billions to trillions, so crowding in private sector funds is essential.

Cooperation is strategic in other fields, where international community has correctly set the focus. An example of it is tax evasion. ADB’s new Anticorruption Policy, approved in 2016, paves the way for enhanced cooperation with Global Forum, but the Bank should keep on paying close attentions to the upcoming global revisions on tax avoidance issues. Another example is gender; gender approach should be present and be felt across all the bank activities.

To achieve all these targets, ADB should adopt a more client oriented approach, becoming strongly responsive to the countries’ new demands, to become as efficient and as useful as possible.

Mr. Chairman, President Nakao, Fellow Governors, Ladies and Gentlemen,

We are convinced that the Bank is in the right track to focus on its most pressing priorities, and to equip itself with the tools to remain relevant and useful to its member countries and to the Asia-Pacific community. We are looking forward to the upcoming discussions about the Strategy 2030.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-021

SRI LANKA

Ravi Karunanayake, Governor

It is a privilege to address you at this momentous occasion signaling the fiftieth Annual Meeting of the Asian Development Bank the apex financial institution of the Asia Pacific region. The President, Prime Minister, the Cabinet of Ministers, and the people of the Democratic Socialist Republic of Sri Lanka convey their felicitations and congratulations to the Presidents and officials past and present of the Asian development Bank for their signature contribution over a fifty year odyssey contributing towards economic, social and infra structure development of Asia and Pacific regions.

President of the ADB, Governors, Officials of ADB, Host and other country delegates, we have reached a milestone of fifty Annual meetings in “BUILDING TOGETHER THE PROSPERITY OF ASIA”. I am confident that the future of Asia will be envisioned with an unprecedented degree of progress building on numerous success stories of member nations.

We are immensely proud to be a founder member of this formidable institution and the contribution made by the ADB to bolster the Sri Lankan economy has to be recorded in glowing terms by extending the finest of accolades. Sri Lanka had been a notable recipient of an ADB resident mission in 1997. A dialogue of effervescent dynamism of an interface between the government and the resident mission had strengthened project process and portfolio management. Outstanding contributions with reference to country partnership strategies and country operations business plans have resulted in tremendous dividends over the years.

Sri Lankan economic growth was somewhat retarded in 2016 due to bad weather conditions but we are positively recovering to reach envisaged economic objectives enumerated in our 2017 budgetary proposals themed, “Accelerating growth with social inclusion”. Therein we will synergize with the ADB in the noble effort to eradicate poverty from Sri Lanka.

A meager 12% Global GDP in Asia during the period of the inception of the ADB, swelling to almost one third as at present, and this century could showcase the realization of the projected 50% of the Global GDP heralding the dawn of an era of Asian economic domination.

Sri Lankan economy had shown tremendous resilience in the past countering many adverse situations and our strategy to improve growth and dilute the debt servicing cost would ensure a noteworthy contribution towards the expected evolution of the Asian and Pacific regions.

Reaching a fifty year milestone is an awesome reality in tandem with the progress made and I look forward to a galaxy of achievements during the future “Building together the prosperity of Asia”.

May the Asian Development Bank also prosper to exceptional heights during the next half of a century of years bringing social and economic prosperity to member nations encompassing the complementary agendas of inclusive economic growth, environmentally sustainable growth and regional integration.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-012

SWITZERLAND

Raymund Furrer, Governor and Head of Delegation

Mr. Chairman,
Mr. President,
Fellow Governors,
Distinguished delegates,
Ladies and Gentlemen,

On behalf of Switzerland, I would like to thank the Government of Japan and the city of Yokohama for hosting this anniversary Annual Meeting of the Asian Development Bank (ADB), and the citizens of Yokohama for their warm welcome and hospitality.

Looking back at five decades of economic and social transition in Asia and the Pacific, the region is more prosperous and more peaceful than at ADB's inauguration. Multilateral development actors played an important role in this transition. As a key player in the region, ADB supported countries in addressing their most pressing and complex development challenges. On a global scale, the adoption of the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, and the COP21 Climate Change Conference are a powerful testimony of the continued global commitment to work together in order to find viable and sustainable solutions to the current development challenges.

While we celebrate our achievements on this important anniversary, we need to recognize that the work of international institutions has come under increased scrutiny. Feelings of insecurity, existing and perceived inequalities, and fading trust in public institutions are rising in countries around the world. While globalization generates tremendous benefits, it can also bring significant costs to societies and individuals that need to be addressed.

Amid these challenges, it will be crucial that ADB continues to play a leading role in Asia and the Pacific by continuously demonstrating its value added in terms of relevance, efficiency, effectiveness, and impact. ADB's sustainable and high quality results on the ground, supported by the right mandate for the future in form of a new corporate strategy, will need to address these high expectations and tackle the most pressing development challenges.

Delivering sustainable and high quality results

President Nakao's leadership to make ADB a stronger, faster and better institution as well as the Bank's determination towards high quality support, more innovation, better knowledge solutions and the utilization of high-level technology are required and much appreciated. Switzerland also welcomes the President's actions to delegate more staff and authorities to resident missions, expand private sector operations and public-private partnerships as well as his efforts to support global development commitments.

Switzerland acknowledges that ADB will strengthen its focus on development effectiveness and shift away from communicating approval to commitment numbers. However, neither approval nor commitment numbers are indicative of development effectiveness. ADB should therefore emphasize a shift towards disbursements as a better indicator. Now, more than ever before, a clear focus on actual and measurable quality results in the new Results Framework and an improvement of the current low disbursement rate should direct ADB's strategy and projects.

An estimated US\$1.7 trillion per year in infrastructure investment may be needed to maintain ADB member countries' growth momentum, eradicate poverty, respond to climate change and address the region's vast structural development challenges. With public resources insufficient to satisfy the development needs of developing member countries, ADB should further increase its efforts to crowd-in private sector capital in support of sustainable development and to create more and decent jobs. Overall, continuously strengthening the quality and sustainability of operations needs to become part of ADB's DNA.

Building on the right mandate for ADB's future

World leaders agreed on sustainable and inclusive goals, aiming to eradicate poverty, shifting onto a resilient path and pledging that no one will be left behind. This requires all countries to excel in ownership and responsibility. Switzerland supports these ambitious objectives and expects ADB to further align its strategic directions with the global development agenda, working in close partnership with other development actors, in particular the World Bank, the Asian Infrastructure Investment Bank and the United Nations. In this context we welcomed ADB's open consultation process on its Strategy 2030, giving all interested stakeholders an opportunity to contribute their views. The development of this Strategy has shown little progress since last year's annual meeting. A timely delivery of the new strategy should address the following key issues:

First, we welcome a new vision that includes strengthening the resilience of its developing member countries, while expecting ADB to continue to **focus on its core mandate** – an Asia and Pacific free of poverty. The development challenges of the region are vast and manifold. Switzerland strongly believes that ADB can have the largest impact by being selective in its engagements and focusing on development issues that align legitimate client demands with ADB's comparative advantages, where the Bank can add real value for money.

Second, Switzerland has high expectations for inclusiveness of ADB's activities. Hence, ADB needs to present a convincing revised approach to **measure and operationalize inclusive growth** in its operations, thus effectively contributing to the achievement of the sustainable development goals and the reduction of inequalities in the region. Switzerland wants ADB to focus more on impact and outcomes, rather than inputs. It should demonstrate how interventions will support inclusive growth, especially for poor, vulnerable and marginalized groups and apply high environmental, social, and governance standards throughout its portfolio.

Third, Switzerland encourages ADB to define differentiated approaches towards its diverse client groups. ADB's engagement needs to reflect the respective context. Special attention should be given to conflict sensitivity in fragile- and conflict-affected contexts as well as the development of an **upper middle income countries** approach that reflects these countries' evolved needs and financial capacities. Achieving gender equality, knowledge products, innovation sharing and non-sovereign lending activities will become even more important in this context.

Fourth, the reduction of poverty and exposure to natural hazards is inevitably intertwined with building resilience through **climate change and disaster risk reduction measures**. While Switzerland congratulated ADB on its early commitment to double climate-related financing by 2020, Switzerland expects these limited funds to be used on state of the art mitigation and adaptation projects with a significant demonstration effect. In this context, the revision of ADB's almost 10-year old energy strategy should be given high priority.

Concluding remarks

In the fast changing development finance landscape, Switzerland anticipates ADB to offer cutting edge knowledge and products with a lasting impact. The Bank needs to live up to the expectations of being a key player with impeccable standards and outstanding reputation for 21st century regional development cooperation. Looking ahead, ADB needs to use its experience to successfully address existing and new development challenges, all the while proving the continued added value and result orientation of its work.

In closing, Switzerland would like to thank President Nakao, ADB Management, staff and the Board for their firm commitment and dedicated work to continue building a stronger, faster and better ADB to the benefit of Asia and the Pacific.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-006

TAIPEI, CHINA*

Yu-Jer Sheu, Governor

Mr. Chairman, President Nakao, Fellow Governors, Ladies and Gentlemen,

On behalf of my delegation I would like to extend our thanks for the hospitality of the Government of Japan. Japan is one of the founding members of the ADB and is also the largest shareholder with a 15.607% share by the end of 2016. Our gratitude also goes to Yokohama City, where the 50th Annual Meeting of the Board of Governors of the Asian Development Bank is held. Yokohama City is the earliest port opened to other parts of the world and site of the onset of modernization of international trade in the history of Japan. This venue marks the starting point for the mission to help the Asia-Pacific region reduce poverty. The 50th anniversary marks action plans ahead of the mission for the next 50 years.

Grew Together with ADB for the Past 50 Years

The ADB was established on December 19, 1966 in Manila, the Philippines. As one of the founding members of ADB, we have witnessed its growth from 31 members to 67 members. ADB's operations in 2016 amounting to US\$17.5 billion in approvals for loans and grants were the highest in ADB's history. Combining the Asian Development Fund's (ADF) lending operations with ADB's Ordinary Capital Resources (OCR) starting from January 1, 2017, the loan capacity will increase by more than 50% in the future. The total amount in approvals for loans and grants will be higher than US\$20 billion before 2020. ADB will become a powerful support to its Developing Member Countries (DMCs) in need.

With a Gross Domestic Product (GDP) amounting to US\$3.2 billion in 1966, we in Taipei, China were much in need of financial support for infrastructure development. ADB came to provide timely help by offering 12 loans from 1968 to 1971, amounting to a total of US\$100.39 million as a means of support to our efforts to build freeways, a petrochemical industry, and power resources, among others. This established a solid foundation for our rapid economic growth. Since 1972, we have not applied for loans. Instead, in return for ADB's help, we became a donor member, with our donation reaching US\$122.06 million. Our GDP soared to US\$529.7 billion in 2016. With our economic growth, we hope to continue cooperating with ADB to build a prosperous Asia.

*Changed by Meeting Secretariat.

ADB's New Strategies Meet Asian Development Needs

From less than 30% of global GDP in 2000 to around 40% in 2014, Asia's enviable economy has recorded the strongest economic growth of any region in the world. Over the past 50 years, ADB has contributed much to the economic miracle in Asia. We are especially impressed that

ADB has had the vision to face problems in Asia, including accelerating technological change, aging population, social conflict from increasing global volatility and rising inequality, and possible detrimental effects on long-term economic growth. ADB is now proposing a new strategy, "Road to 2030," to face new challenges.

Having thoroughly reviewed the new strategy of ADB, I would like to share with you some of my observations:

First, the purpose and vision of this new strategy certainly meet the needs of the Asia-Pacific region development.

Despite its rapid growth, the Asia-Pacific region is still facing such problems as poverty, gender disparity, insufficient infrastructure, and vulnerability to natural disasters. In addition, such challenges as emerging new development financial institutions, growing diversity of clients, and Developing Member Countries (DMCs) with good credit standing tapping into financial markets at low interest rates to meet their direct financing requirements are confronting the region. Therefore, ADB had to set up a new strategy. The vision of this new strategy, "A prosperous, inclusive, and resilient Asia-Pacific region free of poverty," is in line with the Bank's mission and the development needs of the Asia-Pacific region into the future.

Second, the principles of the new strategies highlight ADB's unique value and manifest its characteristics with other financial institutions.

ADB will commit to expanding the capacity of its financing, thereby upgrading the knowledge and capability of its clients. By differentiated operational strategies, ADB pursues specific client groups in line with their particular needs. Furthermore, ADB is balancing country and regional lending and ramping up its private sector operations to catalyze greater private resources. After carefully studying the details of the new strategy, we affirm that this strategy keeps pace with the times and provides a wider business scope than other financial institutions, serves increasingly diverse clients, and creates the opportunity for the development of more diversified products.

Policies Being Implemented in Our Economy

The Global Competitiveness Report 2016-2017 issued by the World Economic Forum (WEF) on September 28, 2016 announced that our score (5.28) ranked us 14th out of 138 economies, reflecting our strong competitiveness. Only India and we had economies which advanced in ranking in Asia. We in Taipei, China also have to confront the challenges which were mentioned by the ADB in its new strategy. Therefore, we have to aggressively promote fiscal and economic policy measures and reforms. Since 2016, for the purpose of helping our economy to develop a new, sustainable model for economic growth under the core idea of "innovation, employment, and distribution," we spared no effort in reinvigorating our domestic economy via strategies on two fronts – "Stimulate Investment in the Local Market" and "Implement Structural Reform." Here I briefly explain them as follows:

To stimulate investment in the domestic market, we have planned a series of policies and promoted the so-called “5 plus 2” industrial innovation, which consists of the Asia Silicon Valley Plan, Intelligent Machinery, Green Energy Technology, Biotech & Health Care, National Defense, and later, Neo Agriculture, and Circular Economy together with some “Digital Economy Innovation” industries. In the meantime, we are aggressively investing in the infrastructure of the next generation with the hope of answering the needs of new industries, new technologies, and new lifestyles.

To implement structural reform, we have also planned a series of measures such as “Regulatory Reform,” including reforms aimed at deregulating our financial and economic legal systems and harmonizing regulations related to the digital economy and international standards. “Increasing Manpower Quality” and “Improving the National Land Planning System,” including institutional reforms aimed at the use of land resources, personnel training and recruitment, and capital allocation. We have planned on raising fertility and the labor participation rate and other manpower resource measures. Our Income Distribution Improvement Program includes strategies for improving social welfare, employment, wages, and taxation to support the economically disadvantaged, raise wage standards, and reduce income inequality.

In addition, we are actively promoting our “Foresight Infrastructure Plan” which includes constructing a safe and convenient transportation system, construction of sustainable water resources in response to climate change, promoting the sustainable construction of a green environment, creating intelligent monitoring of public land and digital broadband service construction, and improving the balance between urban and rural regions. The purpose of the “Foresight Infrastructure Plan” is to respond to the domestic and foreign key needs in new industries, new technologies, and new life trends, to promote local overall development and regional balance, and to set up the solid foundation for national future development.

With our continuous efforts and economic growth, we hope to be able to assist ADB to achieve its vision of “A prosperous, inclusive, and resilient Asia-Pacific region free of poverty.”

Our Sincere Hope to Work with ADB

According to the “Key Indicators for Asia and the Pacific 2016” published by ADB in November 2016, Asia and the Pacific accounted for 43.4% of global energy use, and the total greenhouse gas (GHG) emissions in Asia and the Pacific grew faster than the global average over the past decade. In order to fulfill the responsibility as a member of the global village, we are diversifying our energy supply by tapping into renewable energies, such as solar, wind, and biogas production using pig farm waste, based on the concept of a circular economy. We anticipate that by 2025, 20% of our energy will come from renewable energy. We enacted the Greenhouse Gas Reduction and Management Act in July 2015, setting our long-term target to reduce our emissions by at least 50% below 2005 levels by the year 2050. We would like to share our efforts and experience in environmental protection with all member countries and hope to cooperate with ADB to maintain a Sustainable Earth.

ADB seeks support for regional cooperation and integration under this new strategy by using the bank’s special advantages to strengthen Information and Communication Technology (ICT) connectivity as well as digital cross-border trade flows in order to promote optimizing regional cooperation and integration. The “New Southbound Policy” (NSP) currently implemented by Taipei,China also emphasizes regional cooperation. Asia is the center of global economic development in the 21st century, in terms of population, gross domestic product, total trade

volume, and growth rate. Asia is therefore the most important driver of global economic development. Because the Asian economy is highly dependent on global trade and faces a possible trade liberalization slowdown, we seek to establish closer relationships with Southeast and South Asian member countries as well as Australia and New Zealand as potential strategic partners for regional social and economic cooperation. Based on the core values of longstanding close ties, multiple means of development, and mutual resource sharing, we look forward to creating a win-win cooperation model in connectivity of trade, technology, and culture with New Southbound countries and cultivating "Economic Community Awareness."

With the fact that our New Southbound Policy meets closely with the objectives of this annual meeting with the theme "Building Together the Prosperity of Asia," we earnestly hope to get support from ADB and its member countries, so that we can work hand in hand to create greater and sustainable economic prosperity in Asia.

Summary

It is a pleasure to take this opportunity to congratulate President Takehiko Nakao on his successful re-election. Under his excellent leadership, it is clear that ADB will increase its lending capacity and contribute to the Asia-Pacific region by increasing its prosperity. The ADB will be able to meet the President's expectations, to provide member countries with stronger, better, and faster service, and to lead the Bank to bring new economic development opportunities.

Last but not least, I would like to reiterate that Taipei,China is a founding member of ADB and has fully carried out her membership responsibilities. My delegation continues to protest against the unilateral alteration of our membership designation. I would also like to call on member countries to respect each other concerning the equal opportunities of hosting meetings and workshops of ADB.

With this hope I conclude my address and I wish this meeting every success. Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-008

TAJIKISTAN

Davlatali Said, Governor

Dear Mr. Chairman, Governors, Mr. President, Ladies and Gentlemen,

I am delighted to have the privilege of addressing the 50th Anniversary Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) in this beautiful city of Yokohama.

I would like to extend my gratitude to the Government of Japan for the warm hospitality and wonderful organization of this event, and thank ADB Management and staff for their excellent preparation of the meeting. I wish ADB all the best in achieving the set objectives.

We consider this meeting as an important step in enhancing mutually beneficial cooperation and establishing closer relations both between Tajikistan and ADB, and countries in the region.

Status of the world economy

After the slow recovery in the advanced economy as a result of the world financial crisis and sharp adjustments in the world commodity prices, many emerging economies aim to strengthen the growth prospect and make it more inclusive and sustainable.

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade.

World growth is expected to rise from 3.1% in 2016 to 3.5% in 2017 and 3.6% in 2018, slightly above the earlier projected world economic outlook.

Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs in early 2016. Higher commodity prices have provided some relief to commodity exporters and helped lift global headline inflation and reduce deflationary pressures.

Growth in Central Asia is expected to reach 3.1% in 2017 and 3.5% in 2018. The expected recovery of the world oil prices and growth in the main trading partners is forecast to accelerate growth in Central Asia.

Tajikistan

Growth reportedly accelerated to 6.9% in 2016 from 6.0% a year earlier thanks to higher public investment. At the same time, the growth was weakened by low private investment, lower prices for aluminum and cotton exports, budget deficit, and depreciation of the national currency. The continued recession in the main trading partners made 2016 the third consecutive year with a decline in the number of Tajik migrants working there, causing a 14.4% drop in remittances.

On the supply side, industry expanded by 16.0%, up from 11.2% in 2015 as value added in mining more than doubled. Higher crop yields boosted agriculture growth to 5.2% from 3.2% in 2015. Meanwhile, services contracted by 0.3% as lower remittances curbed consumer spending, following 7.1% contraction in 2015.

On the demand side, a 20.3% rise in capital investment attributable to public spending was the main source of growth, partly offset by lower private consumption resulting from weak remittances and currency depreciation.

Inflation accelerated to 6.1% from 5.1% in 2015. This reflected the lagged impact of currency depreciation in 2015 and early 2016 on import prices despite lower global prices for petroleum and wheat. Prices rose by 6.8% for food, 5.7% for other goods, and 4.5% for services. A 16.5% hike in average electricity tariffs in November also fueled inflation.

Under the new economic conditions linked to unstable world and regional economies and to minimize negative effect of external risks on our economy, a National Development Strategy till 2030 has been adopted in the country. This strategy is aimed at a new growth model to attract investments, accelerate industrial development, widen production of export-oriented goods and services, reduce dependence to remittances, increase contribution of private investments to the economic growth through fundamental changes to business and investment climate.

The Republic of Tajikistan makes every effort to achieve objectives of its national development strategies and programs, particularly, in supporting sustainable growth during global economic and geopolitical uncertainty and full implementation of social obligations.

Obviously, in the integrated world economy, downturn in developed economies has negative impact on developing and vulnerable to external shocks countries.

To respond to the global economic uncertainties, ADB has to support countries in developing policies to boost demand, increase productivity, supply of labor force and investments through structural reforms and fiscal measures, as well as public infrastructure development.

In the integrated world economy, many countries in the region need credible strategies to make public debt sustainable. There is also a need to resume multilateral efforts to address common issues.

ADB as a regional bank has to support sustainable growth, infrastructure investments, human development, social protection and healthcare to protect vulnerable people.

In line with the ADB's Strategy 2020, regional cooperation and integration is one of the key directions for the Bank.

Regional cooperation and integration is a key prerequisite for achieving sustainable development goals in all Central Asian countries, considering benefits of regional cooperation. ADB plays an important role in realizing huge potential of CAREC projects and initiatives.

This October, there will be the CAREC Ministerial Conference in Dushanbe, and we look forward to revitalizing initiatives and projects aimed at developing regional cooperation in our region.

We hope that ADB would continue to strongly support Tajikistan in implementing its development vision in the coming years.

Thank you for your attention!



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-005

THAILAND

Apisak Tantivorawong, Governor

Mr. Chairman, Mr. President, Fellow Governors, Distinguished Guests,
Ladies and Gentlemen

It is my great honor to address the 50th Annual Meeting of the Asian Development Bank (ADB) in Yokohama, Japan this year. On behalf of the Royal Thai Government, I, firstly, would like to congratulate the ADB for your continued support in economic development and poverty reduction in Asia and Pacific regions. I would like to thank ADB for being our true friend for the past 50 years since Thailand joined the ADB as a founding member in 1966.

ADB's Partnership with Thailand

We appreciate our long relationship with the ADB during the past 50 years, which ADB has played a crucial part to assist Thailand in developing, not only the country's economy, but also social landscape in terms of loans, grants, and, especially, technical assistances towards core infrastructure, financial sectors and education. Our close partnership helps boost the country's growth along with poverty alleviation.

ADB has not only made a major contribution to Thailand's development including competitiveness, economic reform, inclusive growth and regional cooperation and integration, but also become our regional development partner to enhance inclusive growth and sustainable development path for our neighbouring countries, and the Greater Mekong Subregion (GMS). Over the past 25 years, from the start of ADB's involvement as a regional cooperation supporter under GMS program, this effort has crucially promoted infrastructure connectivity together with cross-border trade, investment, as well as economic opportunities within the region.

We wish the ADB to help Thailand attain a high-income-country status by providing technical assistances and extending financial support to foster innovative and smart economy, particularly in infrastructure development, financial market and energy including research and technology innovations. Therefore, to strengthen our cordial development's partnership, we look forward to the forthcoming Country Partnership Strategy (CPS), which will be tentatively launched in 2018, to help support the country's medium-term development framework and longer-term goals, which aims to enhance Thailand's economic potential and social foundation. We believe that the imminent CPS will be an integral function of development in the future.

Recent Global and Regional Economic Development

Global economic recovery continues, but with ever-increasing geopolitical uncertainties. Such that the global growth recovery has also been slow and fragile. In response, governments seek a balance growth path by trying to prop up domestic demand through expansionary fiscal policy. Accommodative monetary policy has also been employed to support economic growth. From now on, growth will mostly come from within to enhance national competitiveness and avoid sluggish growth but not take social development for granted. Besides, the global collective actions among countries are inevitable.

Economic Development in Thailand

During the past decades, Thailand has experienced drastic improvements in economic and social development with GDP per capita increasing 42 folds. In essence, the Thai economy has transformed from agricultural-based (Thailand 1.0) to light-industrial-based (Thailand 2.0) and now to heavy-industrial-based (Thailand 3.0).

For this year, it is clear that continuous economic recovery is on the way. The Ministry of Finance estimates that Thailand's GDP growth will be more than 3%. Tourism and public spending will continue to be the main growth engine. Private consumption shows noticeable improvement. More importantly, fiscal and monetary policies will work in consonant help support economic recovery.

Going forward, the Thai Government has recently introduced Thailand 4.0 initiative focusing on innovation and services economy. We identify targeted industries such as advanced automotive, smart electronics, aviation, and health tourism and designate areas in our eastern provinces as the Eastern Economic Corridor (EEC), which include Chonburi, Rayong, and Chachoengsao provinces, in order to further enhance and upgrade the Thai economy become a high-income country. In addition, we are upgrading our logistic infrastructure such as motorways, dual-track railways, mass transit systems, seaports, and airports across the country, which will promote distribution of investment to regional area.

The Government is also ambitious to promote inclusive development towards the "Public Private Collaboration" policy or Phracharat, which aims to enhance cooperation among Public, Private and People (PPP) by strengthening economic and legal foundations to support creative collaborative and sustainable economy. This initiative tries to promote seven value drivers, which are innovation and productivity, SMEs and Start-ups, tourism and MICE, exports and investment abroad, cluster development and New S-curve industries, smart agriculture, and domestic income and expenditure.

With regard to the foresaid policy, to further enhance collaboration amongst all stakeholders, the Government cultivate "care and share" culture by providing tax incentives to large corporations that help develop SMEs and Start-ups competitiveness and innovation. Moreover, under this policy, the Government also lend a hand with concessional and low interest rate housing loans to low-income people and government officers, who never has home ownership and promote participation of private sector's investment to provide quality property with reasonable cost.

To upgrade nationwide financial infrastructure, the Government recently introduced "National e-Payment" master plan. This is a crucial step for Thailand as we aspire to progress towards a more digitized economy. People and business are encouraged to use electronic payment and also the government activities will shift towards a more electronic means. As a result, this new system will help reduce transaction cost, increase speed and security, while also improve transparency. More

importantly, this e-Payment system will allow the government to compile statistic regarding lower-income population. With more a comprehensive and updated database, future social policy will become more targeted and a better social infrastructure will be achieved.

Thus, the Government has taken a first step by adopting the e-Payment system to assist social welfare transfer as we have recognized the importance of improving people's quality of life. To ensure that social assistances is well-managed and well-targeted, the Government has been implementing new scheme called "Registration for Government Welfare," which will provide government supporting benefits to those in need. Apart from providing welfare to low-income earners, we will be able to keep records on citizen's crucial data not only name and surname, income, savings, and main occupancy but also the extra information such as farmer identification number, family member information and land ownership. This policy leads to comprehensive database on poverty and e-Welfare system can help make government program more lean and effective.

We have also made significant progress to enhance greater fairness in financial accesses to the poor by providing Nano Finance and Pico Finance. Both low interest rate lending policies have been launched to offer low-income people an alternative to resorting to loan shark and as a solution to tackle unregulated and unofficial loans problems, especially, in rural area.

With remarkable progress in economic and social development, Thailand has become an upper-middle income economy since 2011. We are able to move up from a low-income country in less than a generation. From now on, we will continue to further improve our development to avoid middle income trap. I strongly believe that the aforementioned strategies of improving public and private collaboration, encouraging investment, and upgrading both hard and soft infrastructure of the country are in line with the 2030 development agenda and can propel Thailand's economic development.

In this regard, I would like to thank ADB for always being Thailand's partners and support us in our various development endeavors. In addition, I may take this opportunity to convey my heartfelt appreciation to the government and the people of the Japan for their warm hospitality and outstanding preparations for the Annual Meeting this year.

On the occasion of ADB's 50th anniversary, I wish ADB all the success in its missions and operations as a catalytic knowledge sharing impetus particularly for financial sector, innovation performance, education and research to accelerate Thailand's as well as member economies' development agenda in achieving inclusive and sustainable growth with a commitment to leave no one behind.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-034

TURKEY

Raci Kaya, Alternate Governor

Mr. Chairman, Mr. President, Distinguished Governors,

It is my pleasure to address the Annual Meeting of the Asian Development Bank in Yokohama. I would like to extend my sincere appreciation to the Government of Japan for this excellent organization and warm hospitality.

We are glad to witness the 50th anniversary of the Bank. Asia has come a long way from only one tenth of global GDP to almost one third today. Huge population growth accompanied this trend, recording more than 4 billion today. I have no doubt that all delegates will join me to appreciate the Asian Development Bank for its prominent role in this long journey in transforming Asia.

ADB is resuming the next half century better resourced and equipped with several tools. The recent combination of Asian Development Fund's lending operations with ordinary capital resources has provided the Bank a real opportunity to make a bigger and better difference, especially in the poorest and most vulnerable countries.

Considering the unfinished development agenda which is reflected in the 330 million people still living in extreme poverty, high inequality, and large infrastructure gaps, we believe that ADB's further engagement in the region would create significant added-value. To this end, we are glad with the robust performance of the Bank again in 2016, with approved operations recorded at 32 billion dollars.

I am certain that the Bank will utilize the past five decades as an ideal opportunity to think over the challenges and to find effective and innovative strategies to overcome them. Indeed, the preparation for the Strategy 2030 is a clear manifestation of this approach. We believe that if built upon the Midterm Review of the Strategy 2020, the Strategy 2030 will provide a unique chance for the Bank to improve its development effectiveness in the region.

In this context, I would like to highlight four specific points.

First. Regional integration and cooperation with other multilateral and bilateral partners could be an area that should be focused more in the Strategy. In particular, with the new multilateral development banks coming on stream, like the Asian Infrastructure Investment Bank, there are new opportunities for the Asian Development Bank for greater co-financing.

Second. In recent years, ADB has been increasingly deploying non-project loans. We recognize that policy-based and results-based loans and budget supports contribute significantly to the member countries. However, the quality of these modalities, especially by defining an objective

criterion for these types of modalities is critical. We urge the Management to explore ways to cooperate with IMF and World Bank that have more expertise on these instruments.

Third. We attach utmost importance to the effective and efficient human resources management. In this regard, we expect the Bank to continue to demonstrate best practices in its human resources policies.

Lastly. For the Bank to better respond to the evolving circumstances in the region, we welcome the efforts of the Management in adjusting its internal processes. On the one hand, we are glad that there has been good progress regarding the budget preparation process. We appreciate the Management for implementing a truly consultative budget process.

On the other hand, we welcome the new procurement policy. This is a great stride for the Bank to deliver higher quality projects with greater speed. We would like to encourage the Management to complement this approach with effective oversight activity, and bidding-related complaint mechanisms.

Dear participants,

With these, I celebrate again the fiftieth anniversary of the Asian Development Bank which has been a journey of commitment, hard work and transformation. I would like to express my wish that before the end of the next 50 years we achieve our objective of an Asia free of all forms of poverty.

Thank you.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-025

UNITED KINGDOM

Hugh Walker, Head of Delegation

Mr. Chairman, Mr. President, Distinguished Governors, Ladies and Gentlemen,

The UK would like to thank the Government of Japan for hosting the Asian Development Bank's 50th Annual Meeting in Yokohama and for arranging a wide range of associated events. We also appreciate all the preparatory work done by ADB management and staff to ensure that the Annual Meeting and the side-events are informative, engaging and helping the Bank to deliver its strategy.

This is a special year for the Bank and its members and an opportunity to reflect on what has been achieved across the last five decades since the common aims and collaborative work of governments from across Asia and the Pacific, and around the world, led to the foundation of this important regional institution. From the time of ADB's inception in 1966 until now the region's economic growth and success in reducing poverty have exceeded all expectations. The Bank's role in that achievement, including through its provision of much needed development finance and technical assistance, has been a major one.

The UK's 2016 Multilateral Development Review confirmed that the ADB provides substantial support to the poorest, most vulnerable and fragile countries in Asia and the Pacific and re-affirmed our commitment to the Bank. We welcome the opportunity to reflect on its role at the Governors' seminar, including how the ADB needs to change to tackle the still considerable regional challenges that lie ahead.

The ADB has made good progress over the past year. We welcome the ground breaking merger of the ADF's concessional lending with the OCR balance sheet from January 2017, the successful negotiation of the first ever grants-only replenishment of the ADF in 2016 and the fact that concessional lending will now be self-financed by ADB thus reducing the burden on contributors in a world where public finances continue to be stretched.

The merger has provided a good opportunity for the Bank to review its strategic direction. We are pleased that ADB now have a process in place which will result in the new Strategy 2030. We welcome the opportunities to feed into that process and have high expectations for the new Strategy. It should reflect the Global Goals, and the Bank's role in promoting the energy transition and ensuring resilient investment. Most importantly it needs to reflect the changing socio-economic situation in Asia, particularly setting out the relevance of the Bank to Upper Middle Income Countries, and the changing aid landscape with new regional actors like the AIIB and the BRIC's New Development Bank. These new actors provide ADB with an added

incentive to do even better but also provide opportunities for collaboration. We are for example pleased that co-financing is already underway with AIIB.

It is important that the new Strategy is driven by a strategic vision for change and direction and not through making piecemeal amendments to the existing strategy. ADB needs to be selective and focus on sectors where it has a strong comparative advantage. The Strategy must project how the region is likely to change and the specific challenges that are relevant to ADB. In this context, it is essential that the Bank develops a clear strategy for its engagement in Middle Income Countries, especially Upper Middle-Income Countries (UMICs). We believe that the Bank's role in UMICs should focus on regional and global public goods and catalysing systemic change in addressing the pockets of poverty and reducing inequality.

We note that ADB is increasing its use of Policy Based Loans (PBL) and Results Based Lending (RBL). It is vital that ADB works with partner governments to ensure that the mix of project lending and PBL/RBL instruments is carefully balanced. It is especially important that non-project lending is aligned with the policies of the IMF and other international agencies and used to support reforms, not just to increase lending volumes.

The 2016 MDR noted that the Bank needs a stronger strategy on inclusion of poor and vulnerable groups. The UK strongly supports the "leave no one behind" agenda and we continue to encourage ADB to be stronger on inclusive growth. We will collaboratively use the ongoing results framework consultations to aim for more appropriate indicators that capture the various dimensions of vulnerability and leave no one behind, for example on job creation. The Bank's results in 2016 in this area were mixed with a particular concern being the fall in support for social protection in ADF operations below the 2010-2012 baseline. We will hope to see an improvement in 2017 and will include a focus on inclusive growth in our monitoring of ADF 12 especially on the most marginalised women and girls.

We value ADB's work in fragile states and in responding to crises. We especially recognise that ADF provides an important contribution to addressing conflict and fragility and we fully supported the sizeable allocation to Afghanistan in ADF 12. This makes it even more important that ADB improves its staffing capacity in the country and improves the speed and quality of delivery of projects. We welcome the recent adoption of a clearer set of criteria for the Countercyclical Support Facility (CSF), including that its use only as an exceptional funding mechanism following an assessment of debt sustainability and that receiving governments commit to credible structural reforms.

We continue to encourage the Bank to take further steps to improve its operational performance and process efficiency, an issue which was highlighted in the 2016 MDR and discussed during the ADF 12 negotiations. This will reduce time spent on internal processes and enable faster delivery and a greater responsiveness to clients. Results in 2016 in these areas show that there is still some way to go on measures such as project approval to first contract, project processing times and processing times for procurement contracts, especially in ADF sovereign operations where there has been a large increase in 2016, without sacrificing the quality of the development impact.

We are pleased that ADB is implementing procurement reforms including through the use of information technology and employing more procurement specialists in country offices. The UK has also welcomed the opportunity to feed into the consultation process for ADB's new Procurement Policy and Regulations. We are pleased that the new policy is well aligned with those of the World Bank and the African Development Bank which adopt a more flexible, approach

allowing for a fit for purpose procurement solution, including use of alternative procurement system based on risk identification. The reforms will be challenging to implement and introduce significant changes which will require a culture change within the ADB's procurement staff. Therefore, the Board should see and review the implementation plan including the costs of introducing such changes and a clear roll out plan.

We want all the MDBs to intensify their efforts to encourage companies from which they procure, or invest in, to be responsible, champion best practice and tackle child labour in supply chains. The UK is currently exploring what we can expect of each MDB, including ADB, to do in these areas and will be engaging in this with our partners in the coming period.

ADB should continue finding ways to secure better value for money, in programming and in controlling administrative costs. We hope for an administrative budget for 2018 that is no larger than 2017, making best use of the available finances to support development and poverty reduction in the region. We are concerned that budget efficiency and adequacy has not met 2016 targets and look to ADB to improve this next year. Linked to this, we urge ADB to push through planned reforms of its Staff Retirement Plan including changing the pension age to 65 for new hires.

Finally – we are very pleased that our co-financing relationship with ADB continues to flourish and as volumes increase we seek an even more strategic engagement with ADB in this area. We are grateful to ADB for their continued cooperation in annual co-financing meetings and look forward to hosting the next one in London in the Autumn.



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

GS-035

UNITED STATES

Robert Kaproth, Head of Delegation

On behalf of Treasury Secretary Mnuchin, it is my pleasure to participate in the 50th Annual Meeting of the Asian Development Bank (ADB), and join in this historic celebration of an institution that has fought poverty and improved lives in Asia and the Pacific for half a century. We wish to thank the people of Japan and our ADB and Japanese Government hosts for their warm and generous hospitality.

Fifty years ago, the United States, Japan, and 29 other countries came together with a vision of an institution that would fight poverty in what was then one of the poorest regions of the world. President Lyndon B. Johnson declared U.S. support for the establishment of the Asian Development Bank on April 20, 1965, and announced a new “plan for cooperation in increased development” in Asia.

Over the past 50 years, Asia has experienced remarkable economic growth of five percent a year in real terms on average, increasing its share of the global economy from 14 percent in 1965 to almost one-third today. The ADB played an important role in supporting this growth through programs that fostered structural reform, regional integration, trade, and investments in both soft and hard infrastructure. In the process, hundreds of millions of people have been lifted out of poverty into the middle class, with extreme poverty declining from over 70 percent in 1981 to eight percent in 2015. Along with higher incomes have come higher living standards, with infant survival, life expectancy, literacy, and access to clean water all rising sharply. The regional economies that benefited the most from these improvements tended to be those that embraced policies that fostered competition and macroeconomic stability.

As a result of these significant achievements, the region is now an important contributor to global growth. Over the past year, economic growth in Asia has been resilient, with a shift toward domestic demand supported by accommodative monetary and fiscal policies. Plans for public investment in infrastructure in some regional economies including Japan, and across Southeast Asia, should provide further support for growth while expanding productive capacity. Beyond infrastructure, however, progress in implementing structural reform and liberalization measures has been limited in many countries, impeding growth prospects and productivity. There is also greater scope for fiscal support in some economies, particularly oriented at boosting private consumption. The important and necessary process of economic rebalancing in the People’s Republic of China will continue to generate spillovers to the rest of the region, strengthening the case for reinvigorated domestic reform efforts. India’s domestic reform efforts have boosted growth to roughly seven percent in recent years, and we expect tax reforms recently embarked upon to contribute even further to higher standards of living.

Despite the region's impressive progress, numerous and complex challenges remain, including supporting fragile and conflict-affected states, crowding in private investment to close Asia's infrastructure gap, improving health and education outcomes, increasing women's participation in the labor force, addressing environmental challenges and strengthening resilience to natural disasters, enhancing urban planning, and creating jobs and providing basic services for growing populations. The ADB has the expertise and specialized experience in Asia and the Pacific to take on these challenges. With the merger of the ADB's lending resources and the completion of a robust replenishment of the Asian Development Fund in 2016, the ADB also has significantly strengthened financial capacity to support innovative solutions for the region. Close collaboration with civil society and continued implementation of high social, environmental, and fiduciary standards will also support ADB's efforts to tackle Asia's development challenges. To deliver as effectively as possible on this promise, however, there are several areas that the United States believes are important to highlight as the ADB develops a new corporate strategy:

First, the ADB must focus on addressing the needs of the poorest while supporting countries' efforts to better address these needs themselves. Lower-middle income countries in Asia still account for 40 percent of the world's poor, and inequality has increased in many countries, dampening the impact of growth on poverty reduction. The ADB's work in alleviating poverty in the region is far from complete, and the Bank must remain focused on this central mission. This includes supporting investments in health, education and social safety nets; labor and product market reforms to increase growth potential; and reforms to make financial systems more inclusive. It will also require ADB to fulfill the commitment to shift portfolio composition and devote an outsize portion of the additional resources from the merger to countries that are lower on the income spectrum.

Second, the diversity of challenges in the region require differentiated financial tools and products. We continue to see a need for grants for fragile and conflict-affected states and poorer countries at risk of debt distress. Credit guarantees and enhancements can also improve countries' access to a wider range of investors and we welcome management's plans to expand these tools. We echo the call from borrowing countries for the ADB to support innovative, high-technology solutions to development challenges; this can come in the form of stronger and more sustained technical assistance and knowledge sharing. As countries' access to other sources of development finance increases, the ADB should help the transition to sustainable, market-driven financing models for infrastructure and development using a broader mix of products, including through differentiated pricing and a greater focus on poorer regions and people.

Next, an expanded range of financing tools would help the ADB remain on a sound and sustainable financial footing. We encourage the ADB to examine measures to further enhance financial sustainability, in line with the G-20's call to implement additional balance sheet optimization measures. Yet, increased financial capacity will only be meaningful if it is combined with a rigorous commitment to development impact. This requires commensurate investments in staff capacity, project preparation, supervision, learning and evaluation.

Finally, the ADB must continue to invest in building and improving its human resources and skills. The ADB's development results can only be as strong as the people who conceive, prepare, implement, and monitor them. We encourage changes to ADB's budget and personnel management that will increase departments' flexibility to identify resource needs and allocate accordingly. We also urge Management to improve hiring processes to ensure an open, transparent, and merit-based approach to recruitment and promotion across the institution. There is also considerable room to further promote gender equality across the Bank.

The United States remains a committed partner with the ADB in supporting the countries of the region to advance their development goals. We look forward to building on the past 50 years of achievements through our continued partnership with the ADB and the countries of the Asia and Pacific region.



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

GS-003

VIET NAM

Nguyen Thi Hong, Alternate Governor

Mr. Chairman,

President Takehiko Nakao,

Distinguished guests,

Ladies and gentlemen,

It is my great honor today to represent the Delegation of Viet Nam to deliver the speech at the 50th Annual Meeting of the Board of Governors of the Asian Development Bank. First of all, I would like to express my high appreciation to ADB for the excellent arrangements for the Annual Meeting and other sideline events. I would also like to sincerely thank the Government of Japan for the warm welcome and hospitality as well as the opportunity extended to delegates to visit your beautiful Yokohama city.

Ladies and gentlemen,

The global economy continued its stagnant recovery in the past year yet risks are still on the downside. Recently, unprecedented events occurring worldwide including Brexit, immigration crisis and the rising tendency toward protectionism changed remarkably development outlooks in various economies and imposed higher risks and volatilities to global economic development. In this context, continued multilateral effort is required to address challenges. It is necessary that countries need to introduce adequate mix of macroeconomic policies, speed up structural reforms, strengthen qualitative growth factors, such as technology, innovation, and skills, and in the meantime strengthen mutual cooperation to cope with volatilities in coming time.

Ladies and gentlemen,

Current global context has posed new challenges for international and regional organizations including ADB that should have concrete actions to support its member countries, contributing to maintaining a good balance between economic stability and momentums for growth as well as pertaining poverty reduction achievements over the years.

We can say that in the last 50 years, ADB has achieved many operational accomplishments, showing its significance and influence not only in regional scope. The activities of the ADB have focused more closely on its reform objectives which include a wide range of initiatives to optimize its operations and resources to better serve the needs for development of member countries. Particularly, ADB continues its strong commitments to institutional reform to perform efficiently its mission. ADB has also made great efforts to enhance its partnership relation and coordinated with other international organizations to improve efficiency of assistance to member countries.

We strongly support ADB to implement the Corporate Strategy to 2020 with the vision of an Asia and Pacific free of poverty and mission to help its member countries improve their living conditions and quality of life. We also appreciate the ADB's effort to develop a new corporate strategy which will enable it to more effectively respond to the higher ambition of the 2030 Development Agenda focusing on eliminating poverty; promoting prosperity; deepening inclusion; strengthening sustainability and building resilience.

Ladies and gentlemen,

Under the leadership of the new cabinet, the Viet Nam economy has achieved positive outcomes in 2016. Macro economy was stabilized. GDP reached 6.21%, which implied a positive indicator given the unfavorable world economic situation and challenges facing the country. Inflation was under controlled at less than 5%. The Government has issued an action program to implement the policies on economic restructuring and building of a new growth model for the period between 2016 and 2020. The restructuring of three key sectors, namely public investment, banking and SOE has been attached importance to.

The Government of Viet Nam would like to express its high appreciation for the strong partnership with ADB which has made a major contribution to our country's development and achievements over the last 25 years. The Government of Viet Nam committed to apply all possible measures to maximise the ODA resources and has been effectively using the ODA resources for the active implementation of poverty reduction and economic growth targets. The ODA funding in general, and the ADF funding in particular, have significantly contributed to Viet Nam's success in its recent Socio-economic Development Plans. While Viet Nam has become a lower middle income country, we still face significant development challenges in the years to come, namely:

First, our poverty gains are still fragile. It has been estimated that one quarter of our population - about 24 million people - are either poor or "near poor" and susceptible to falling back into poverty. Extreme poverty has become more difficult to tackle and is concentrated in our remote ethnic minority population.

Second, we are highly vulnerable to climate change impacts such as rising sea levels, salinity intrusion, droughts and floods. These developments are already starting to affect agricultural production as well as the livelihood of rural communities, particularly in the Mekong River Delta, our most productive area.

Third, we are facing major fiscal pressures in meeting increasing demand for much needed public investments to support social-economic development as well as overall restructuring of the

economy. While domestic revenue mobilization is constrained, our access to affordable, long term development financing on both domestic and international capital markets is also limited. This is a challenge to our macroeconomic stability and could reduce our long term growth, especially in the context of the volatile global environment.

In the years to come, the government will continue to keep focus on macroeconomic stabilization, support the enterprises, improve the business environment to reinforce the investors' confidence. The Government has shown high determination for implementing comprehensive economic reform and attracting resources for investment to develop necessary infrastructures; enhance human resources qualifications and technology and science initiatives; proactively react to climate change; effectively utilize natural resources and environment protection; improve the effectiveness of State management; and strengthen international integration of the economy. The government's objectives are in accordance with priorities of Country Partnership Strategy 2016-2020 and the ADB 's 2030 Development Agenda.

Given intensive economic globalization and increasingly diverse and unpredictable challenge landscape, I hope that the ADB shall continue to maintain your valuable supports to member countries including Viet Nam in dealing with those challenges for the sake of poverty reduction, sustainability and resilience.

I wish the Meeting fruitful outcomes.

I wish delegates success, good health and happiness.

Thank you!

Closing Address by President Takehiko Nakao at the 50th Annual Meeting of the Board of Governors

7 May 2017

Yokohama, Japan

Mr. Chair, Honorable Minister Taro Aso; ADB Governors; ladies and gentlemen:

As we come to the end of this Annual Meeting, I sincerely thank all of you for your active participation and important contributions over the last few days. We have had rich interaction at this meeting. Let me briefly highlight several important recurring themes.

1. **ADB at 50.** This Annual Meeting gave us the opportunity to celebrate ADB's 50 years of development work in Asia and the Pacific. Your strong support over the past five decades has been key to establishing ADB as the premier international financial institution in the region. The meeting helped us collectively reflect on how the region has grown over the past 50 years, how ADB has contributed to the region's growth and development, and what role ADB should play in the future. ADB will continue to evolve to stay responsive to the changing needs and aspirations of our developing member countries.

2. **Support for poorest and fragile countries, and inclusiveness.** While progress in Asia has been impressive, many of you reminded us that the battle against poverty is not over yet. Reducing poverty will remain our major focus. ADB will continue to prioritize the needs of the poorest and the most fragile countries, including small island countries in the Pacific. Growing inequalities are a major concern for many countries. We will enhance our support for addressing inequality across groups and regions. Strengthening financial inclusion and supporting inclusive business will be integral components of our approach to deepen inclusiveness.

3. **Continued strong support for infrastructure development.** As I mentioned in my opening address, ADB will continue to play a key role in mobilizing the vast resources needed for infrastructure development in the region. According to a recent ADB study, Asia will need \$1.7 trillion per year in infrastructure investments through 2030. We will scale up to help meet this large infrastructure deficit, increasingly use high-level technology in infrastructure, vigorously pursue our commitment to climate finance, and actively promote public-private partnerships. In this context, I thank the Governments of Canada, Germany, Japan, and the Netherlands for their new funding commitments for climate change actions, high-level technologies, and water.

4. **Mobilizing private sector resources.** Governors encouraged ADB to crowd-in larger private sector financing to support the region's development, especially for infrastructure. We are placing a strong emphasis on public-private partnerships. In our private sector operations, we plan to expand our guarantee operations, equity investments, and cofinancing. At the same time, I would like to note that in a way ADB was created to mobilize private sector resources by leveraging our equity to tap capital markets. The merger of our Asian Development Fund (ADF) lending operations and Ordinary Capital Resources (OCR) balance sheet allows us to further leverage these resources. Our experience in the past 50 years demonstrates that both public and private sector investments by ADB through preparing necessary infrastructure and setting conducive policy environment help crowd-in private sector resources and activities.

5. **Expanding private sector operations.** Many of you stressed the need to scale up ADB's private sector operations. I assure you that we are deeply committed to increasing our private-

sector operations to 25% of regular OCR operations by 2020. In particular, we intend to expand such operations in poorer countries. We are expanding staff resources for our Private Sector Operations Department to facilitate this scale up.

6. **Climate change and disaster risk reduction actions.** You emphasized the urgent need to address climate change. We are on track towards meeting our ambitious financing target of \$6 billion for climate change by 2020. We continue to pay special attention to the challenges facing Pacific island countries, particularly in adaptation.

We are actively supporting our developing member countries' access to concessional resources, including from the Green Climate Fund. We are providing policy advice and capacity building support to our client countries for their nationally determined contributions. We will increase our support to prevent and reduce risks from natural disasters.

7. **Lifting social development.** Many of you underscored the need to create jobs and support human capital development, and better prepare the region to meet challenges of the aging population. In particular, we will increase support for universal health coverage, technical and vocational education and training (TVET), and social protection.

8. **Strengthening gender equality.** Achieving gender equality remains a key agenda in many of our developing member countries. We have strengthened gender mainstreaming in our projects. We will continue to proactively pursue gender equality outcomes across all our operations. We will design projects that help women and girls secure higher skills, better health, more jobs, and a larger voice in decision making.

9. **Improving governance.** The importance of addressing governance and institutional challenges was highlighted. We will continue to support structural and sector reforms to strengthen governance and support capacity development. Both project and policy-based assistance will be deployed to support governance and institutional improvements in developing member countries.

10. **Supporting different needs of countries.** You asked us to be responsive to the diversity of countries and their changing needs. The Pacific Governors offered several suggestions for ADB's expanded support to their countries. Some Governors discussed the important role of ADB in upper middle income countries in areas such as supporting regional public goods, climate change and the environment, and policy reforms for boosting private sector led growth. Depending on country circumstances, we will use an appropriate combination of project lending, results-based lending and policy-based lending. Some Governors recognized the importance of supporting countries in economic distress through our countercyclical support facility. We are coordinating closely with the International Monetary Fund and other development partners for policy-based lending.

11. **Deepening regional cooperation and integration.** Governors expressed strong support for ADB's role on regional cooperation and integration. This is the core of our mandate.

We will continue to deepen our own regional economic cooperation initiatives and coordinate closely with other existing and emerging regional cooperation platforms. We will continue to facilitate South–South cooperation that supports knowledge transfer and expertise among developing member countries.

12. **Expanding knowledge support.** Many Governors urged us to provide effective knowledge solutions and expertise, together with expanding lending assistance. ADB is strengthening its capacity to provide knowledge solutions, and to support innovation and the integration of high-level technology in project design. ADB's sector and thematic groups have been mainstreamed into our organizational structure and assigned roles critical for ADB operations.

13. **Procurement and project implementation reforms.** As mentioned by many of you, we will continue to pursue reforms to improve our responsiveness and to streamline our procedures. ADB has just approved a new procurement framework to reduce overall procurement time, improve the quality of procurement outcomes, and strengthen the procurement delivery system. We will continue to strengthen our resident missions by providing them greater authority, and outposting more staff. We will uphold the highest levels of environmental and social safeguards in all our projects and increasingly use country systems.

14. **Human resources reforms.** As several Governors emphasized, highly-skilled and motivated staff is critical to deliver quality financing operations and value-adding knowledge services to client countries. We will continue our efforts to attract, retain, and motivate a highly talented and diverse workforce. We plan to strengthen gender balance of staff at all levels, including for senior positions. Many of you share my concerns about the sustainability of the staff pension plan and support its reform. We will continue to pursue utmost efficiency in our administrative budget and achieve value for money.

15. **Cofinancing and partnerships.** I acknowledge the importance of partnership for expanding our cofinancing and leveraging knowledge and expertise. We will continue to strengthen cofinancing efforts with our private, bilateral and multilateral financing partners, including new institutions such as the Asian Infrastructure Investment Bank and the New Development Bank. We will also enhance our partnership with think tanks, civil society organizations and innovative private sector companies.

16. **Strategy 2030.** I thank you for providing extensive feedback on our future strategy. You supported our focus on reducing poverty and inequalities, implementing the Sustainable Development Goals, and promoting climate actions. You also expressed support for our continued country focus, and differentiated approach to engaging countries based on their development needs, and our comparative advantage. We will balance the need to be selective to ensure our effectiveness and the need to be responsive to countries' priorities. The strategy will have a strong emphasis on achieving results and development effectiveness. We will continue to have an inclusive and meaningful consultative process as we develop this strategy and finalize it in 2018.

Ladies and gentlemen:

Before I conclude, I would like to express on behalf of us all our deepest gratitude to the Government of Japan and this beautiful city of Yokohama for hosting this landmark Annual Meeting, and for their warm hospitality and excellent arrangements. I thank officials and volunteers who helped make this meeting a great success.

Finally, please join me in thanking the Philippines for hosting our next Annual Meeting in Manila in 2018.

I thank you all again and wish you a safe journey home.

PARTICIPANTS



GOVERNORS AND THEIR DELEGATIONS

Country Represented	First Name	Last Name	Registration Category
Afghanistan	M. Mustafa	Mastoor	Alternate Governor
	Abdul Qahhar Khan	Momand	Adviser
Armenia	Vache	Gabrielyan	Governor
	Rafayel	Avetisyan	Temporary Alternate Governor
Australia	Concetta	Fierravanti-Wells	Temporary Alternate Governor
	Sue	Vroombout	Temporary Alternate Governor
	Georgina	Atkin	Adviser
	Robert	Christie	Adviser
	Brenton	Goldsworthy	Adviser
	Carolyn	Jack	Adviser
	John	Larkin	Adviser
	Stephen	McElhinney	Adviser
	Sharon	Van Etten	Adviser
Austria	Elisabeth	Gruber	Alternate Governor
	Verena	Hagg	Temporary Alternate Governor
Azerbaijan	Samir	Sharifov	Governor
	Azar	Mursagulov	Temporary Alternate Governor
	Musayev	Elmir	Adviser
	Yusif	Heydarov	Adviser
	Fuad	Sultanov	Adviser
	Hijran	Valehov	Adviser
Bangladesh	Abul Maal A	Muhith	Governor
	Kazi Shofiqul	Azam	Alternate Governor
	Rabab	Fatima	Temporary Alternate Governor
	Jiban Ranjan	Majumder	Temporary Alternate Governor
	Dr Sahida	Akter	Adviser
	S M Jakaria	Huq	Adviser
	Rabeya	Akter	Adviser
	Md. Shahedur	Rahman	Adviser
Samina	Muhith	Adviser	

Country Represented	First Name	Last Name	Registration Category
	Monowar	Hossain	Adviser
	Khondokar Muhammad		
	Abul	Hasnath	Adviser
	Shakhawat	Hossain	Adviser
	Abdur	Harmachi	Adviser
	Mantasha	Ahmed	Adviser
Belgium	Ronald	De Swert	Temporary Alternate Governor
	Stefany	Knoll	Temporary Alternate Governor
	Brent	Van Tassel	Adviser
	Saki	Kuroda	Adviser
	Kenta	Herlin	Adviser
Bhutan	Dasho	Penjore	Temporary Alternate Governor
	Lekzang	Dorji	Adviser
	Tshering	Dorji	Adviser
	Julien	Gurung	Adviser
	Tenzin	Dorji	Adviser
Brunei Darussalam	Pehin Dato Abd Rahman	Ibrahim	Governor
	Ahmaddin	Abd Rahman	Alternate Governor
	Nizam	Ismi	Temporary Alternate Governor
	Irwan	Rashid	Adviser
	Aziz	Ali Hassen	Adviser
	Yusof	Abd Rahman	Adviser
	Shifa'	Husaini	Adviser
	Mahani	Mohsin	Adviser
Cambodia	Vissoth	Vongsey	Alternate Governor
	Vanndy	Hem	Temporary Alternate Governor
	Phalla	Phan	Temporary Alternate Governor
	Sopanhavorn	Chan	Adviser
	Sopheap	Chan	Adviser
	Chanto	Chea	Adviser
	Serey	Chea	Adviser
	Vanarith	Chheang	Adviser
	Samrith	Chhuon	Adviser
	Touch	Eng	Adviser
	Vouthy	Khou	Adviser

Country Represented	First Name	Last Name	Registration Category
	Sovannarith	Kith	Adviser
	Channarith	Meng	Adviser
	Chanthana	Neav	Adviser
	Sannisith	Sum	Adviser
	Sokthearith	Yi	Adviser
Canada	Celina	Caesar-Chavannes	Temporary Alternate Governor
	Patricia	Peña	Temporary Alternate Governor
	Russell	Milon	Adviser
	Laura	Atar	Adviser
	Sarah	Tessier	Adviser
China, People's Republic of	Jie	Xiao	Governor
	Yaobin	Shi	Alternate Governor
	Shixin	Chen	Temporary Alternate Governor
	Weihua	Liu	Temporary Alternate Governor
	Guangkun	Wang	Adviser
	Xiaoxia	Sun	Adviser
	Jian	Liu	Adviser
	Hongxia	Li	Adviser
	Zhongxin	Xiang	Adviser
	Yan	Zhang	Adviser
	Sheng	Xie	Adviser
	Dahai	Sun	Adviser
	Qian	Zhao	Adviser
	Jun	Xue	Adviser
	Licheng	Yao	Adviser
	Tianwei	Zhang	Adviser
	Wenhua	Li	Adviser
	Rui	Li	Adviser
	Fan	Wang	Adviser
	Yangzi	Hu	Adviser
	Jing	Luo	Adviser
	Jie	Qin	Adviser
	Yanyan	Ding	Adviser
	Rui	Song	Adviser
	Lei	Huang	Adviser
	Zhong	Ruan	Adviser
	Bo	Yan	Adviser
	Zhenyu	Yuan	Adviser

Country Represented	First Name	Last Name	Registration Category
	Gaonaiyuan	Liu	Adviser
	Yang	Zhao	Adviser
	Yanhong	Jiang	Adviser
	Meiyan	Hu	Adviser
	Zhongbao	Liu	Adviser
	Xiang	Wang	Adviser
	Yu	Yang	Adviser
	Yu	Sang	Adviser
	Bin	Gao	Adviser
	Ye	Hong	Adviser
	Songtao	Luo	Adviser
	Zhengxin	Zhang	Adviser
	Rui	Teng	Adviser
Cook Islands	Mark	Brown	Governor
	Garth	Henderson	Alternate Governor
	Lavinia	Tama	Temporary Alternate Governor
Denmark	Morten	Jespersen	Governor
	Jesper	Thomsen	Temporary Alternate Governor
Fiji	Aiyaz	Sayed-Khaiyum	Governor
	Faizul Ariff	Ali	Temporary Alternate Governor
	Bernadette	Welch	Temporary Alternate Governor
	Apenisa	Tuicakau	Adviser
	Pankaj	Singh	Adviser
	Tupou'tuah	Baravilala	Adviser
	Malvina	Singh	Adviser
	Nazia Nazmeen	Ali	Adviser
Finland	Elina	Kalkku	Governor
	Max	von Bonsdorff	Temporary Alternate Governor
	Pekka	Hirvonen	Temporary Alternate Governor
France	Cyril	Rousseau	Temporary Alternate Governor
	Julien	Vincensini	Temporary Alternate Governor
	Martin	Amar	Temporary Alternate Governor
	Pillon	Patrick	Adviser
	Pascal	Furth	Adviser
	Viet-Linh	Nguyen	Adviser

Country Represented	First Name	Last Name	Registration Category
	Célia	Colin	Adviser
	Olivier	Ginepro	Adviser
	Vincent	Isoko	Adviser
	Atsuko	Usami	Adviser
Georgia	Dimitry	Kumsishvili	Governor
	Nikoloz	Gagua	Temporary Alternate Governor
	Levan	Tsintsadze	Temporary Alternate Governor
	Giorgi	Beridze	Adviser
	Giorgi	Kalandadze	Adviser
	Archil	Machvariani	Adviser
	Irakli	Matkava	Adviser
	Bacho	Rusishvili	Adviser
Germany	Hans-Joachim	Fuchtel	Governor
	Sigrid	Schenk-Dornbusch	Temporary Alternate Governor
	Florian	Theus	Adviser
	Katrin	Bornemann	Adviser
	Alexander	Reitenbach	Adviser
	Anja	Niemann	Adviser
	Florian	Meyerhoefer	Adviser
	Erika	Renneke	Adviser
	Roland	Siller	Adviser
	Ute	Klamert	Adviser
	Turan	Caglayan	Adviser
	Kirsten	Hungermann	Adviser
	Andreas	Ziesmann	Adviser
	Oishi	Shikibu	Adviser
Hong Kong, China	Mo-po, Paul	Chan	Governor
	Wing-sing, Vincent	Lee	Temporary Alternate Governor
	Wai-man, Raymond	Wu	Temporary Alternate Governor
	Hoi-ying, Kirk	Yip	Adviser
	Ka-chun, Georgina	Lok	Adviser
India	Arun	Jaitley	Governor
	Shaktikanta	Das	Alternate Governor
	Raj	Kumar	Adviser
	Simanchala	Dash	Adviser
	Amit	Kumar	Adviser

Country Represented	First Name	Last Name	Registration Category
	Rishikesh	Singh	Adviser
	Tshering W.	Sherpa	Adviser
	Kripal Singh	Bisht	Adviser
	Jitendra	Rawat	Adviser
	Naveen Kumar	Ramakrishna	Adviser
	Gopal	Bhandari	Adviser
	Kazuyo	Hoshino Ebisawa	Adviser
	Mie	Nakamura	Adviser
	Shuko	Nakamura	Adviser
	Mayu	Shishikura	Adviser
	Sujan	Chinoy	Adviser
Indonesia	Sri Mulyani	Indrawati	Governor
	Bambang Permadi	Brodjonegoro	Alternate Governor
	Suahasil	Nazara	Temporary Alternate Governor
	Hadiyanto	Hadiyanto	Temporary Alternate Governor
	Rionald	Silaban	Temporary Alternate Governor
	Agus D.W.	Martowardojo	Temporary Alternate Governor
	Arifin	Tasrif	Temporary Alternate Governor
	Luky	Alfirman	Adviser
	Syurkani Ishak	Kasim	Adviser
	Irfa	Ampri	Adviser
	Ayu	Sukorini	Adviser
	Agustin Arry	Yanna	Adviser
	Zandy Akbar	Rassat	Adviser
	Dewi	Kania	Adviser
	Gandy	Setiawan	Adviser
	Fadli Rinaldi	Lubis	Adviser
	Retno	Maruti	Adviser
	Hendrawan Tri	Susilo	Adviser
	Eko Nur	Prihandoko	Adviser
	Yetti	Susilowati	Adviser
	Eko Nugroho	Mardi Saputro	Adviser
	Aida Suwandi	Budiman	Adviser
	Rahmat	Hernowo	Adviser
	Reza	Anglingkusumo	Adviser
	Ari	Febrianto	Adviser
	Bambang	Arianto	Adviser
	Rachman Ferry	Isfianto	Adviser
	Hadi	Tjahjono	Adviser

Country Represented	First Name	Last Name	Registration Category
	Haris	Munandar	Adviser
	Ben Perkasa	Drajat	Adviser
	Tony	Wibawa	Adviser
	Bagus	Subiantara	Adviser
	Ferry	Kase	Adviser
	Fathan	Subchi	Adviser
	Nizhar	Marizi	Adviser
	Jon	Erizal	Adviser
	Nufransa Wira	Sakti	Adviser
	Soepriyatno	Soepriyatno	Adviser
	Ngakan	Timur Antara	Adviser
	Achmad Hafisz	Tohir	Adviser
	Gellwyn Daniel		
	Hamzah	Yusuf	Adviser
Ireland	Paul	Ryan	Alternate Governor
	Daniel	Fitzgerald	Temporary Alternate Governor
	Anne	Barrington	Adviser
	Jonathan	Patchell	Adviser
Italy	Ignazio	Visco	Governor
	Filippo	Giansante	Alternate Governor
	Giuseppe	Parigi	Temporary Alternate Governor
	Alberto	Cogliati	Temporary Alternate Governor
	Angelo	Cicogna	Adviser
	Raffaele	De Marchi	Adviser
Japan	Taro	Aso	Governor
	Haruhiko	Kuroda	Alternate Governor
	Minoru	Kihara	Temporary Alternate Governor
	Toru	Miki	Temporary Alternate Governor
	Masatsugu	Asakawa	Temporary Alternate Governor
	Yoshiki	Takeuchi	Temporary Alternate Governor
	Kenji	Okamura	Temporary Alternate Governor
	Toshinori	Doi	Temporary Alternate Governor
	Takuji	Tanaka	Temporary Alternate Governor
	Masato	Miyazaki	Temporary Alternate Governor
	Yasuhisa	Nakao	Temporary Alternate Governor
	Koichi	Hasegawa	Temporary Alternate Governor
	Masashi	Tanabe	Temporary Alternate Governor

Country Represented	First Name	Last Name	Registration Category
	Tsutomu	Maeda	Adviser
	Kazuki	Watanabe	Adviser
	Ikuo	Saito	Adviser
	Yoshiyuki	Tominaga	Adviser
	Hideo	Fukushima	Adviser
	Shigeru	Ariizumi	Adviser
	Munenari	Nomura	Adviser
	Akihiro	Tsuchiya	Adviser
	Chishiro	Matsumoto	Adviser
	Masaharu	Makino	Adviser
	Manabu	Takami	Adviser
	Naoki	Hatta	Adviser
	Osamu	Inami	Adviser
	Shimpei	Kawano	Adviser
	Takahiro	Nishio	Adviser
	Kensuke	Sugimoto	Adviser
	Akihiko	Yoshida	Adviser
	Fumihiko	Yamada	Adviser
	Etsuro	Ninomiya	Adviser
	Shinichiro	Terada	Adviser
	Yumiko	Aoki	Adviser
	Atsuhiko	Kuramoto	Adviser
	Takayuki	Himeno	Adviser
	Yosuke	Miyake	Adviser
	Daisuke	Kasai	Adviser
	Hidekazu	Tsukui	Adviser
	Atsushi	Mimura	Adviser
	Koki	Masuhara	Adviser
	Minoru	Matsunoshita	Adviser
	Yasuo	Takamura	Adviser
	Ryu	Otsuka	Adviser
	Mitsutoshi	Kajikawa	Adviser
	Shinsuke	Naka	Adviser
	Koji	Sato	Adviser
	Yutaka	Matsushita	Adviser
	Shuichi	Tokuda	Adviser
	Yasuaki	Yoneyama	Adviser
	Mayumi	Tomita	Adviser
	Tatsuo	Okuda	Adviser
	Takayuki	Yahata	Adviser

Country Represented	First Name	Last Name	Registration Category
	Chihiro	Tabata	Adviser
	Shiro	Oda	Adviser
	Hisae	Kurihara	Adviser
	Takashi	Osada	Adviser
	Ryosuke	Kojima	Adviser
	Masanori	Yoshida	Adviser
	Kentaro	Ogata	Adviser
	Osamu	Kawanishi	Adviser
	Yoichiro	Ikeda	Adviser
	Kenta	Ichikawa	Adviser
	Keiji	Shibata	Adviser
	Atsushi	Jinno	Adviser
	Hiromichi	Sakuma	Adviser
	Hirokazu	Sato	Adviser
	Hiroto	Sugano	Adviser
	Mitsuru	Ota	Adviser
	Daiki	Suemitsu	Adviser
	Hiroshi	Takami	Adviser
	Tadaaki	Kawamura	Adviser
	Kaoru	Ikeda	Adviser
	Mikiyo	Morioka	Adviser
	Tatae	Akiyama	Adviser
	Naoko	Nishida	Adviser
	Masako	Sato	Adviser
	Keiko	Matsuura	Adviser
	Mayu	Omura	Adviser
	Shiro	Takeda	Adviser
	Takehiro	Wakimoto	Adviser
	Yoshihiro	Takada	Adviser
	Kazunori	Koike	Adviser
	Junko	Miyoshi	Adviser
	Ayaka	Saito	Adviser
	Yuriko	Watanabe	Adviser
	Riko	Kaneko	Adviser
	Sohei	Iwai	Adviser
	Marcel	Hisamitsu	Adviser
	Keiji	Fukuzawa	Adviser
	Yusuke	Inomata	Adviser
	Keiichi	Miyata	Adviser
	Shigeto	Nagai	Adviser

Country Represented	First Name	Last Name	Registration Category
	Yoshinori	Nakata	Adviser
	Sayaka	Ueno	Adviser
	Chikako	Ohashi	Adviser
	Masashi	Saito	Adviser
	Keishi	Yamada	Adviser
	Tadaaki	Kumagai	Adviser
	Takumi	Ijichi	Adviser
	Masahiro	Horii	Adviser
	Kazuhiko	Arakawa	Adviser
	Eiji	Maeda	Adviser
	Junichi	Iwabuchi	Adviser
	Kazuhiro	Masaki	Adviser
	Junichi	Kurosu	Adviser
	Wataru	Mamei	Adviser
	Toshihiro	Tanaka	Adviser
	Motoharu	Nakashima	Adviser
	Hiroshi	Nakaso	Adviser
	Junichi	Kishi	Adviser
	Shoichi	Nose	Adviser
	Bing	Wu	Adviser
	Takako	Masai	Adviser
	Takehito	Kawakami	Adviser
	Takehisa	Kanaguchi	Adviser
	Kanako	Shoji	Adviser
	Yuka	Morita	Adviser
	Takayo	Maruyama	Adviser
	Jun	Imai	Adviser
	Naoto	Shimoda	Adviser
	Motoko	Kishi	Adviser
Kazakhstan	Dalenov	Ruslan	Alternate Governor
	Mukhtar	Tileuberdi Baudarbek-	Temporary Alternate Governor
	Yerlan	Kozhatayev	Temporary Alternate Governor
	Almas	Dissyukov	Adviser
	Maxat	Saliyev	Adviser
	Assylbek	Davletov	Adviser
	Arystan	Kabikenov	Adviser
Kiribati	Teuea	Toatu	Governor

Country Represented	First Name	Last Name	Registration Category
	Tukabu Rakerake	Tauati	Alternate Governor
	Teneke	Barenaba	Adviser
	Faitele	Mika	Adviser
Korea, Republic of	Ilho	Yoo	Governor
	Juyeol	Lee	Alternate Governor
	In Chang	Song	Temporary Alternate Governor
	Minho	Kim	Temporary Alternate Governor
	Yoon Kyung	Kim	Adviser
	Mookyung	Jung	Adviser
	Dong Soo	Kang	Adviser
	Mun Gu	Kim	Adviser
	Sangdae	Choi	Adviser
	Jiyoung	Choi	Adviser
	Gyujin	Shim	Adviser
	Geumseok	Lee	Adviser
	Jeongjoo	Kim	Adviser
	Seong Ho	Moon	Adviser
	Yongjun	Lee	Adviser
	Jinkwang	Choi	Adviser
	Taeseop	Shin	Adviser
	Junhong	Park	Adviser
	Hyunggoo	Kim	Adviser
	Gimun	Cho	Adviser
	Seungkyun	Oh	Adviser
	Myeongsuk	Shin	Adviser
	Hyun Woo	Park	Adviser
	Nayeon	Ko	Adviser
	Seon Jung	Kim	Adviser
	Sangdai	Ryoo	Adviser
	Seokjun	Yang	Adviser
	Wonsik	Jung	Adviser
	Kangone	Lee	Adviser
	Jinwoo	Jeong	Adviser
	Dongjae	Lee	Adviser
	Jiyeon	Lee	Adviser
	Kyung ho	Ham	Adviser
	Byungsik	Jung	Adviser
	Ki Young	Jung	Adviser
	Kunmin	Kim	Adviser

Country Represented	First Name	Last Name	Registration Category
	Seung Heon	Lee	Adviser
	Yeong Chul	Park	Adviser
	Jun Baek	Park	Adviser
Kyrgyz Republic	Adylbek	Kasymaliev	Governor
	Marat	Oskombaev	Temporary Alternate Governor
Lao People's Democratic Republic	Somdy	Douangdy	Governor
	Sonexay	Sitphaxay	Temporary Alternate Governor
	Angkhansada	Mouangkham	Adviser
	Boualith	Khounsy	Adviser
	Khoundy	Chanthachack	Adviser
	Maliny	Xavanna	Adviser
	Vatthana	Sanoubane	Adviser
	Phouvieng	Banchanthavong	Adviser
	Vanthadaxay	Akkharath-Sisane	Adviser
	Oulaphone	Pheuangsavanh	Adviser
	Viroth	Sundara	Adviser
Luxembourg	Arsène	Jacoby	Alternate Governor
	Georges	Heinen	Temporary Alternate Governor
	Manuel	Tonnar	Temporary Alternate Governor
Malaysia	Othman	Aziz	Governor ad interim
	Azah Hanim	Ahmad	Temporary Alternate Governor
	Muhammad	Ibrahim	Temporary Alternate Governor
	Sukudhew	Singh	Temporary Alternate Governor
	Sharifah Adlina	Syed Abdullah	Adviser
	Malahayati	Abdullah	Adviser
	Mohammad Khairul Nazri	Ghazali	Adviser
	Shamsuddin	Mohd Mahayidin	Adviser
	Mohd Zaidi	Mahyuddin	Adviser
	Suffaneena	Ahmad Sufian	Adviser
	Kamarudin	Hashim	Adviser
Maldives	Ahmed	Munawar	Governor
	Abdulla	Ali	Alternate Governor
	Mohamed	Shareef	Temporary Alternate Governor

Country Represented	First Name	Last Name	Registration Category
	Adam	Hamid	Temporary Alternate Governor
	Aminath	Shazly	Adviser
	Mariyam	Rashfa	Adviser
Marshall Islands	Maybelline	Andon	Alternate Governor
	Riza	Perez	Adviser
Micronesia, Federated States of	Sihna	Lawrence	Governor
	Senny	Phillip	Temporary Alternate Governor
	Robert Alexander	Solomon	Adviser
Mongolia	Choijsuren	Battogtokh	Governor
	Lkhagvasuren	Byadran	Temporary Alternate Governor
	Jargalsaikhan	Enkhsaikhan	Temporary Alternate Governor
	Khurelbaatar	Sodovjamts	Adviser
	Batjargal	Dambadarjaa	Adviser
	Unurjargal	Enkhat	Adviser
	Ayasgalan	Molor	Adviser
Myanmar	Kyaw Win	Win	Governor
	Tun Tun Naing	Mr.	Alternate Governor
	Sandar	Oo	Temporary Alternate Governor
	Kyaw Kyaw	Maung	Temporary Alternate Governor
	Khin Saw	Oo	Adviser
	Tin	Moe Moe	Adviser
Nauru	David	Adeang	Governor
	Martin	Hunt	Alternate Governor
	Damon	Adeang	Adviser
	Ranin	Akua	Adviser
	Russ	Kun	Adviser
	John	Petersen	Adviser
Nepal	Krishna	Mahara	Governor
	Shanta	Subedi	Alternate Governor
	Baikuntha	Aryal	Temporary Alternate Governor
	Surya	Pokharel	Temporary Alternate Governor
	Resham	Mahara	Adviser
	Hikmat	Bhandari	Adviser

Country Represented	First Name	Last Name	Registration Category
Netherlands	Christiaan	Rebergen	Alternate Governor
	Jan Willem	Van den Wall Bake	Temporary Alternate Governor
	Marc	Rooijackers	Temporary Alternate Governor
	Sophie	Willems	Adviser
New Zealand	Amy	Adams	Governor ad interim
	James	Beard	Temporary Alternate Governor
	Amy	Thomson	Temporary Alternate Governor
	Peter	Shackleton	Adviser
	Emma	Coker	Adviser
Norway	Tone	Skogen	Governor
	Hege	Haaland	Temporary Alternate Governor
	Kari	Hoel	Temporary Alternate Governor
	Terese	Holm	Adviser
Pakistan	Mohammad Ishaq	Dar	Governor
	Tariq Mahmood	Pasha	Alternate Governor
	Muhammad Sami	Saeed	Temporary Alternate Governor
	Mirza Salman Babar	Beg	Temporary Alternate Governor
	Muhammad Saeed	Chaudhry	Adviser
	Ahmed		
Muhammad Abu Bakar	Siddique	Adviser	
Palau	Elbuchel	Sadang	Governor
	Casmir	Remengesau	Alternate Governor
	Sally	Techitong-Soalablai	Temporary Alternate Governor
	Francis Mariur	Matsutaro	Adviser
Papua New Guinea	Manu	Momo	Temporary Alternate Governor
	Andrew	Oaeke	Adviser
	Magdelyn	Kuari	Adviser
Philippines	Carlos	Dominguez	Governor
	Benjamin	Diokno	Temporary Alternate Governor
	Ernesto	Pernia	Temporary Alternate Governor
	Juan Jr.	De Zuñiga	Temporary Alternate Governor
	Diwa	Guinigundo	Temporary Alternate Governor
	Jose	Laurel V	Temporary Alternate Governor
	Maria Edita	Tan	Temporary Alternate Governor

Country Represented	First Name	Last Name	Registration Category
	Wilhelmina	Manalac	Temporary Alternate Governor
	Ben	Evardone	Temporary Alternate Governor
	Eduardo	Meñez	Temporary Alternate Governor
	Editha	Martin	Temporary Alternate Governor
	Aaron James	Ang	Adviser
	Neil Adrian	Cabiles	Adviser
	Melanie	Calumpang	Adviser
	Reno Joseph	Cantre	Adviser
	Marc Gregory	Crisostomo	Adviser
	Dennis	Gamaya	Adviser
	Howard	Felipe	Adviser
	Cherry Mae	Gonzales	Adviser
	Rafael Jose	Itchon	Adviser
	Joanna Paula	Cobarrubias	Adviser
	Manousos	Koukourakis	Adviser
	Maria Estela	Laureano	Adviser
	Ferdinand	Ortilla	Adviser
	Arsenio	Pascual	Adviser
	Ryan	Pondoc	Adviser
	John Jeffrey	Ramirez	Adviser
	Jose Manuel	Romualdez	Adviser
	Herminio Jr.	Runas	Adviser
	Jovita Mildred	Sabarre	Adviser
	Cassandra	Sawadjaan	Adviser
	Catherine	Tan	Adviser
	Yrah Kriselle	Tanbengco	Adviser
	Ryan	Tanbengco	Adviser
	Jose Recon	Tano	Adviser
	Alfred	Ty	Adviser
Portugal	Jorge	Oliveira	Alternate Governor
	Álvaro	Matias	Temporary Alternate Governor
	Enrique	Galán	Temporary Alternate Governor
	Filipe	Ramalheira	Temporary Alternate Governor
	António	Corrêa de Aguiar	Adviser
	Francisco	Xavier Esteves	Adviser
Samoa	Sili Epa	Tuioti	Governor
	Iulai	Lavea	Alternate Governor
	Atalina Emma	Enari	Temporary Alternate Governor

Country Represented	First Name	Last Name	Registration Category
	Lita	Lui	Temporary Alternate Governor
	Benjamin	Pereira	Temporary Alternate Governor
	Karras	Lui	Adviser
Singapore	Swee Keat	Heng	Governor
	Ping Yi	Yee	Temporary Alternate Governor
	Lina	Chua	Temporary Alternate Governor
	Wei Peng Kelvin	Gwee	Adviser
	Edmund	Ng	Adviser
	Zi Hao	Wong	Adviser
	Glenda	Yap	Adviser
	Emma	Chen-Loh	Adviser
	Ravi	Menon	Adviser
	Jacqueline	Loh	Adviser
	Luz	Foo	Adviser
	Suan Yong	Foo	Adviser
	Tiffany	Lei	Adviser
	Justin	Hong	Adviser
Solomon Islands	Snyder	Rini	Governor
	Harry Degruit	Kuma	Alternate Governor
	Denton	Rarawa	Temporary Alternate Governor
	McKinnie	Dentana	Adviser
	John	Hue	Adviser
	Alison	Qilabari	Adviser
	Selwyn	Takana	Adviser
Spain	Javier	Sanz	Temporary Alternate Governor
	Juan	Fernandez-Cuervo	Temporary Alternate Governor
	Silvia	Torices	Temporary Alternate Governor
Sri Lanka	Sandresh Ravindra	Karunanayake	Governor
	Mohamed Ismail	Rafeek	Alternate Governor
	Mohamed		
	Ranepura Hewage	Samaratunga	Temporary Alternate Governor
	Samantha		
	Priyantha	Rathnayake	Adviser
	Udeni	Udugahapattuwa	Adviser
	Warren Herman	Mills	Adviser
	Ricardo		
	Samantha	Wijesekara	Adviser

Country Represented	First Name	Last Name	Registration Category
Sweden	Inger	Buxton	Temporary Alternate Governor
	Kerstin	von Hedenberg	Temporary Alternate Governor
	Samuel	Hurtig	Adviser
	Goran	Haag	Adviser
Switzerland	Raymund	Furrer	Governor
	Denise	Luethi Crisan	Alternate Governor
	Patrick	Renz	Adviser
Taipei,China	Yu-Jer	Sheu	Governor
	Jen-Joe	Chang	Temporary Alternate Governor
	Jye-Cherng	Lyu	Adviser
	Chia-Chi	Hsiao	Adviser
	Ching-Hwa	Juan	Adviser
	Wen Hsin	Yin	Adviser
	Pai-Po	Lee	Adviser
	Yu-Peng	Tseng	Adviser
	Yen-Dar	Den	Adviser
	Tzu-Huei	Lu	Adviser
	Shih-Yin	Lu	Adviser
	Huang-Ming	Liu	Adviser
	Hsin-Hung	Chen	Adviser
	Shing-Shiang	Ou	Adviser
	Chiu-Shan	Huang	Adviser
	Yuan-Han	Chi	Adviser
	Li-Chun	Chen	Adviser
Jackie J. C.	Li	Adviser	
Pei-Ying	Chang	Adviser	
Tajikistan	Nematullo	Khikmatullozoda	Alternate Governor
	Aziz	Nazarov	Adviser
Thailand	Apisak	Tantivorawong	Governor
	Somchai	Sujjapongse	Alternate Governor
	Chularat	Suteethorn	Temporary Alternate Governor
	Suwit	Rojanavanich	Temporary Alternate Governor
	Boonchai	Charassangsomboon	Temporary Alternate Governor
	Porametee	Vimolsiri	Temporary Alternate Governor
	Kotchawan	Srimontha	Adviser
	Sukmeena	Bhasavanich	Adviser

Country Represented	First Name	Last Name	Registration Category
	Soraphol	Tulayasathien	Adviser
	Sunee	Eksomtramate	Adviser
	Benjarat	Tanongsakmontri	Adviser
	Newin	Sinsiri	Adviser
	Chakriya	Kathaleephan	Adviser
	Woraphot	Samritdetkhachorn	Adviser
	Veerathai	Santiprabhob	Adviser
	Mathee	Supapongse	Adviser
	Alisara	Mahasandana	Adviser
	Pariwat	Kanithasen	Adviser
	Kittipong	Apibalsri	Adviser
Timor-Leste	Santina JRF Viegas	Cardoso	Governor
	Ramon	Oliveros	Temporary Alternate Governor
	Balbina	Soares	Temporary Alternate Governor
	Ermelita	Magno	Adviser
Tonga	Tevita	Lavemaau	Governor
	Pilimilose Balwyn	Fa'otusia	Alternate Governor
	Sione Ngongo	Kioa	Temporary Alternate Governor
Turkey	Raci	Kaya	Alternate Governor
	Volkan	Arslan	Temporary Alternate Governor
	Mizuho	Kishida	Adviser
Turkmenistan	Merdan	Annadurdyev	Governor
Tuvalu	Maatia	Toafa	Governor
	Vavau	Fatuuga	Alternate Governor
	Niuatui	Niuatui	Adviser
	Penielu	Teo	Adviser
	Siose	Teo	Adviser
United Kingdom	Hugh	Walker	Temporary Alternate Governor
	Philip	Rose	Temporary Alternate Governor
	Adrian	Miller	Adviser
	David John Charles	Taylor	Adviser

Country Represented	First Name	Last Name	Registration Category
United States	Robert	Kaproth	Temporary Alternate Governor
	Charles	Moravec	Temporary Alternate Governor
	Michael	Strauss	Temporary Alternate Governor
	Marina	Best	Adviser
	Gregory	Harris	Adviser
	John	Keeton	Adviser
	Victor	Tineo	Adviser
Uzbekistan	Batir	Khodjaev	Governor
	Azim	Akhmedkhadjaev	Temporary Alternate Governor
	Ganiev	Aziz	Adviser
	Sergey	Volkovskiy	Adviser
Vanuatu	Gaetan	Pikioune	Governor
	Tony Amos	Sewen	Alternate Governor
	Simeon	Athy	Adviser
	Simon	Tiwok	Adviser
	Michael	Hililan	Adviser
	Alumeci	Kaltongga	Adviser
Viet Nam	Hong	Nguyen Thi	Alternate Governor
	Hanh	Hoang Thi Phuong	Temporary Alternate Governor
	Hoa	Thai Thi An	Adviser
	Tu	Doan Manh	Adviser
	Giang	Tran Thi Huong	Adviser
	Quynh	Nguyen Thi Tu	Adviser
	Tai	Ho Anh	Adviser
	Trung Hieu	Le	Adviser
	Hoang	Hai	Adviser
	Nguyen	Huong Loan	Adviser
	Nguyen	Lan Anh	Adviser
	Minh Khoi	Nguyen	Adviser
	Vu	Nhu Thang	Adviser
	Mai	Thi Khuong	Adviser
	Nguyen	Thi Vi Anh	Adviser
	Chau	Vu Minh	Adviser



50th
ADB ANNUAL MEETING
YOKOHAMA
4-7 MAY

LIST OF OBSERVERS

Organization	First Name	Last Name
African Development Bank	Tadashi	Yokoyama
Agence Française de Développement	Stéphanie	Margot
	Philippe	Orliange
	Pascal	Pacaut
	Remy	Rioux
Asean+3 Macroeconomic Research Office	Akira	Ariyoshi
	Junhong	Chang
	Feng	Gong
	Beomhee	Han
	Khor	Hoe Ee
	Kazuo	Kobayashi
	Jae Young	Lee
	Chuin Hwei	Ng
	Bandid	Nijathaworn
	Qiyong, Faith	Pang
	Anthony, Chia Kiat	Tan
	Tetsuya	Utamura
	Lan Huong	Vu
Yasuto	Watanabe	
Asian Infrastructure Investment Bank	Liqun	Jin
	Laurel	Ostfield
	John	Samy
	Hamid	Sharif
	Yong	Zhou
Association of Southeast Asian Nations	Hong Hin	Lim
	Dian	Wahyuni
Bank for International Settlements	Christa	Hughes
	Hyun Song	Shin

Organization	First Name	Last Name
Black Sea Trade and Development Bank	Ihsan Ugur	Delikanli
	Nina	Stavreva
Central Asia Regional Economic Cooperation Institute	Kubat	Umurzakov
Corporación Andina de Fomento	Hugo	Sarmiento
	Holly	Williams
European Investment Bank	Luca	Lazzaroli
	Angela	Marcarino-Paris
European Stability Mechanism	Gong	Cheng
Export-Import Bank of Korea	JongKu	Choi
	Kichul	Hong
	Pansoo	Kim
	Yongseok	Kim
	Youngkee	Kim
	Hyung Won	Lee
Global Agriculture and Food Security Program	Nichola	Dyer
Global Green Growth Institute	Mahua	Acharya
	Frank	Rijsberman
	Annawati	van Paddenburg
International Actuarial Association	Masaaki	Yoshimura
International Federation of Red Cross and Red Crescent Societies	Kari	Isomaa
International Finance Corporation	Andrew	Cross
	Hester	DeCasper
	Georgina	Drummond
	Keshav	Gaur
	Ayumi	Goto
	Harmen Jan	Groesbeek
	Angela	Hirai
	Hiroshi	Jinno
	Yuji	Kano
	Elona	Krypa

Organization	First Name	Last Name
International Finance Corporation	Toshitake	Kurosawa
	Jae Hyung	Kwon
	Saki	Nakai
	Vivek	Pathak
	Nebojsa	Rodic
	Yasue	Sakuramoto
	Kenichiro	Shiozawa
	Nena	Stoiljkovic
	Karen	Villalobos
	Jane Yuan	Xu
International Investment Bank	Alan	Thompson
International Monetary Fund	Andreas	Adriano
	Bikas	Joshi
	Masayoshi	Chida
	Heenam	Choi
	Mitsuhiro	Furusawa
	Giovanni	Ganelli
	Yuko	Ide
	Kenichiro	Kashiwase
	Petya	Koeva Brooks
	Jeremy	Mark
	Naoko	Miake
	Miho	Nakamura
	Chang Yong	Rhee
	Tomomi	Sekioka
Chikahisa	Sumi	
Siddharth	Tiwari	
International Organization for Migration	Mio	Sato
International Think Tank for Landlocked Developing Countries	Odbayar	Erdenetsogt
International Fund for Agricultural Development	Jinkang	Wu
Islamic Development Bank	Nedzad	Ajanovic
Islamic Financial Services Board	Zahid Ur Rehman	Khokher

Organization	First Name	Last Name
Israel	Ofer	Peleg
Japan International Cooperation Agency	Hiroko	Amano
	Yumiko	Asakuma
	Tatsuya	Ashida
	Eigo	Azukizawa
	Taketsuru	Eiko
	Shinya	Ejima
	Yukihiko	Ejiri
	Masaya	Fujimoto
	Kensuke	Fukawa
	Daisuke	Fukumori
	Katsutoshi	Fushimi
	Takahiro	Goto
	Sachiko	Goto
	Shohei	Hara
	Tsuyoshi	Hara
	Yohei	Hashimoto
	Miwa	Hiasa
	Ruri	Hidano
	Masateru	Higashida
	Ryuko	Hirano
	Masayuki	Hirosawa
	Takeuchi	Hiroshi
	Koki	Hirota
	Akari	Ichigi
	Satoshi	Ikegami
	Takahiro	Ikenoue
	Tatsuya	Imai
	Kyosuke	Inada
	Yoshitaka	Inagaki
	Ken	Inoue
	Hidetoshi	Irigaki
	Fumiaki	Ishizuka
	Yuko	Ishizuka
	Rinko	Jogo
Japan International Cooperation Agency	Masahiro	Juraku
	Haruko	Kamei (Kanno)
	Yasushi	Kanzaki
	Yoshihisa	Kasuya
	Toshinobu	Kato

Organization**First Name****Last Name**

	Yuichi	Katsuura
	Takaaki	Kawano
	Nobuko	Kayashima
	Taro	Kikuchi
	Naohiro	Kitano
	Shinichi	Kitaoka
	Akiko	Komori
	Tetsuo	Konaka
	Kazuhiko	Koshikawa
	Ken	Kubokura
	Chiharu	Kudo
	Mitsuko	Kumagai
	Shinichi	Kuno
	Hiroataka	Kurosu
	Naoto	Kuwae
	Kitti	Limskul
	Toru	Maeda
	Hideaki	Maruyama
	Katsuo	Matsumoto
	Suguru	Minoya
	Ai	Miyahara
	Naoaki	Miyata
	Kiyotaka	Miyazaki
	Chiharu	Morita
	Ryutaro	Murotani
	Kunihiro	Nakasone
	Keiichiro	Nakazawa
	Naoyuki	Nemoto
	Akio	Okamura
	Shotaro	Ono
	Yurika	Saito
	Kanako	Senda
	Noriko	Suzuki
	Satomi	Suzuki
Japan International Cooperation Agency	Masayoshi	Takehara
	Takuro	Takeuchi
	Ayumi	Tanaka
	Suchi	Tanaka
	Hajime	Taniguchi
	Takao	Toda
	Kei	Toyama

Organization	First Name	Last Name
	Kenichi	Tsukahara
	Daisuke	Ueda
	Shuhei	Ueno
	Takumi	Ueshima
	Satoshi	Wakasugi
	Kozo	Watanabe
	Yukiko	Yahara
	Naotaka	Yamaguchi
	Shinichi	Yamanaka
	Takehiro	Yasui
	Gen	Yoneda
	Tomoya	Yoshida
Kreditanstalt für Wiederaufbau	Claudia	Arce
	Christine	Heimbürger
	Ulrike	Lassmann
	Reinhold	Strauss
Kuwait Fund for Arab Economic Development	Waleed	Albahar
Millennium Challenge Corporation	Amy	Eagleburger
	Evan	Freund
	Fatema	Sumar
	Troy	Wray
Multilateral Investment Guarantee Agency	Karin	Finkelston
	Yasumitsu	Himeno
	Keiko	Honda
New Development Bank	Ningqian	Zhang
	Xian	Zhu
Nordic Development Fund	Pasi	Hellman
Nordic Investment Bank	Soren	Mortensen
	Henrik	Normann
OPEC Fund for International Development	Anajulia	Taylhardat
	Ahdi	Alhunaif
	Al-Shaimaa	Al-Sheiby
	Reza Adirahman	Djojosugito

Organization	First Name	Last Name
	Scherazade	Ikour
Organisation for Economic Co-operation and Development	Alexander	BOEHMER
Organization for Security and Co-operation in Europe	Tuula	Yrjölä
Pacific Islands Forum Secretariat	Andrew Raymond Meg	Anton Prasad Taylor
Russian Federation	Igor Ekaterina Maxim	Kobiakov Romanchuk Yazhlev
SAARC Development Fund	Sunil	Motiwal
South Asian Association for Regional Cooperation	Amjad Ajay	Hussain B. Sial Kumar
United Nations Children's Fund	Mioh	Nemoto
United Nations Economic and Social Commission for Asia and the Pacific	Shamshad	Akhtar
	Maria Heather	Misovicova Taylor
UN Human Settlements Programme	Laxman	Perera
UNIDO	Jaime Ciyong	Moll de Albat Cabot Zou
World Bank	Jason Inguna Yukako Mika Michel Victoria Bevan Thompson Arthur Yoshiko Martin Robert	Allford Dobraja Hiraki Iwasaki Kerf Kwakwa Lye Maruyama Rama Saum

Organization**First Name****Last Name**

Marc

Schiffbauer

Yusuke

Sekiguchi

Chie

Takamura

Yasusuke

Tsukagoshi

Ulrich

Zachau

World Food Programme

David

Kaatrud

World Tourism Organization

Yoshiaki

Hompo



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

BOARD OF DIRECTORS

Executive Director	Alternate Executive Director	Director's Advisor
Hyoung Kwon Ko		Se Hoon Lee Simon Tiwok*
Paul Domiguez	Muhammad Sami Saeed*	Charissa Hipolito
David Finlay Murchison	Joar Lonning Strand	Marc Rooijackers* Theo Larsen
Mathew Adam Fox	Anthony Scott Dawson	Palipa Lauti
Bhimantara Widyajala	Mario Guisepe Di Maio	Oscar Malielegaoi
Zhijun Cheng	Wenxing Pan	Yanrong Wang
	Michael Strauss*	Celine Senseney Marina Best*
Philaslak Yuktasemwong	Rokiah Badar	Yong Seng Soh
Mauricio Ghirga	Johannes Schneider	Juan Fernandez-Cuervo Martin Amar*
Kshatrapati Shivaji	Mahbub Ahmed	Ashish Vachhani
Mario Sander	Philip Rose*	David John Charles Taylor*
Koichi Hasegawa*	Masashi Tanabe*	Hidemasa Fukuda Goshi Tsukamoto

*Also listed as Delegate



50th
ADB ANNUAL MEETING
YOKOHAMA
2017
4-7 MAY

ADB PRINCIPAL OFFICERS AND SENIOR STAFF

President	Takehiko Nakao
Vice-Presidents	Stephen Groff
	Wencai Zhang
	Bambang Susantono
	Diwakar Gupta
	Deborah Anne Stokes
	Ingrid van Wees
The Secretary	WooChong Um
Treasurer	Pierre Van Peteghem
Chief Economist and Director General, Economic Research and Regional Cooperation Department	Yasuyuki Sawada
General Counsel	Christopher Stephens
Director General, Budget, Personnel, and Management Systems Department	Toshio Oya
Director General, Central and West Asia Department	Sean O'Sullivan
Director General, East Asia Department	Ayumi Konishi
Director General, Independent Evaluation Department	Marvin Taylor-Dormond
Director General, Pacific Department	Xianbin Yao
Director General, Private Sector Operations Department	Michael Peter Barrow
Director General, South Asia Department	Hun Kim
Director General, Southeast Asia Department	James Nugent

Director General, Strategy and Policy Department	Indu Bhushan
Director General, Sustainable Development and Climate Change Department	Maria Carmela Locsin
Director General, Operations Services and Financial Management Department	Ramesh Subramaniam
Head, Office of Anticorruption and Integrity	Clare Wee
Head, Office of Cofinancing Operations	Kai Preugschat
Head, Office of Public–Private Partnership	Ryuichi Kaga
Principal Director, Department of External Relations	Satinder Bindra
Deputy Treasurer	Kazuki Fukunaga
Deputy Chief Economist, Economic Research and Regional Cooperation Department	Juzhong Zhuang
Deputy General Counsel	Ramit Nagpal
Deputy Director General, Central and West Asia Department	Hong Wei
Deputy Director General, East Asia Department	M. Theresa Kho
Deputy Director General, Pacific Department	James Patrick Lynch
Deputy Director General, Private Sector Operations Department	Christopher Thieme
Deputy Director General, Sustainable Development and Climate Change Department and concurrently Chief Compliance Officer	Nessim Ahmad
Deputy Director General, South Asia Department	Diwesh Sharan
Deputy Director General, SDCC concurrently Chief Compliance Officer	Nessim Ahmad
Deputy Director General concurrently Chief Thematic Officer, Sustainable Development and Climate Change Department	Amy Leung
Deputy Director General, Strategy and Policy Department	Tomoyuki Kimura

Director, Regional Cooperation and Operations Coordination Division	Safdar Parvez
Director, Department of External Relations	Omana Nair
Director, Regional Cooperation and Integration Division	Cyn-Young Park
Director, Macroeconomics Research Division	Joseph Zveglich
Director, Office of Cofinancing Operations	Sujata Gupta
Director, Office of Information Systems and Technology	Pierre Passin
Director, Office of Public-Private Partnership	Takeo Koike
Director, Private Sector Financial Institutions Division	Christine Engstrom
Director, Infrastructure Finance Division 1	Shantanu Chakraborty
Director, Infrastructure Finance Division 2	Jackie Surtani
Director, Private Sector Investment Funds and Special Initiatives Division	Janette Hall
Director, Portfolio Management Division	Craig Roberts
Director, South Asia Regional Cooperation and Operations Coordination Division	Ronald Antonio Butiong
Director, Southeast Asia Transport and Communications Division	Hideaki Iwasaki
Director, Strategy, Policy, and Interagency Relations Division	Bernard Woods
Representative, Japanese Representative Office	Takashi Matsuo
Assistant Secretary	Asel Djusupbekova
Assistant Treasurer, Funding Division	Maria Lomotan
Assistant Treasurer, Investments Division	Michael Jordan
Chief Advisor to the President	Naoya Jinda

Chair, Compliance Review Panel

Dingding Tang

Dean, ADB Institute

Naoyuki Yoshino