

# Role of ADB in Asia and the Pacific

Orientation Program for DMC Officials  
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The logo of the Asian Development Bank (ADB), consisting of the letters "ADB" in white serif font on a dark blue square background.

ADB

# ADB's Mission

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- ADB was established in 1966
  - to foster economic growth and cooperation in the region of Asia and the Far East
  - to contribute to the acceleration of the process of economic development of the developing member countries in the region
- **ADB's mission today is the same 40 years ago, i.e., to fight poverty**



# ADB's Vision

An Asia and Pacific free of poverty with better living conditions and quality of life for all its inhabitants.



# Strategies and Priorities

# Long-Term Strategic Framework (2001-2015)

operationalizes the Poverty Reduction Strategy and states the ADB mission of fighting poverty.

3 core areas:

- sustainable economic growth
- inclusive social development
- governance for effective policies and institutions



# Long-Term Strategic Framework (2001-2015)

## 3 crosscutting themes:

- promoting the role of the private sector in development
- supporting regional cooperation and integration for development
- addressing environmental sustainability

# Medium Term Strategy

## MTS II (2006-2008) priorities:

- Catalyzing investment
- Strengthening inclusiveness
- Promoting regional cooperation and integration
- Managing the environment
- Improving governance and preventing corruption

# Operations

- **Key Products and Services**
- **Priority Areas**

# Key Products and Services

- Lending
  - Sovereign (public sector)
  - Nonsovereign (public and private sector)
- Equity investment/Underwriting
- Grants
- Technical assistance
- Cofinancing (sovereign, nonsovereign, guarantees)

# Priority Areas under MTS II

- Group 1 - road transport, energy, urban infrastructure, rural infrastructure, education, and financial services
- Group II - agriculture and natural resources, railways, health, trade (related to regional cooperation), law and the judiciary, public finance, and economic management
- Group III - to be gradually phased out to free up resources for Groups 1 and 2:
  - Poorly performing sectors - fisheries, livestock, and development finance institutions
  - Successful but limited demand - airports, water transport, and communications

# Challenges in New Asia and Pacific

# Challenges

- The dynamic changes taking place in the region
  - Faster than expected economic growth of the region (particularly in India and PRC)
  - Exacerbating severity of environmental problems
  - Rapidly rising inequality within and among Asian and Pacific developing member countries.

# Challenges

- Paradoxes of Asia and the Pacific region
  - Fast becoming a manufacturing and IT services hub yet has vast pools of unemployed
  - East Asia has rapidly aging population but South and South East Asia have young population
  - Very large lender to developed countries, yet unmet investment needs—particularly in infrastructure—are immense
  - Despite the very large net outward flow of excess savings, still needs significantly higher investment to maintain rapid growth and achieve development targets

# ADB's Future

# EPG Report

## Three strategic directions:

- Inclusive growth
- Environmentally sustainable growth
- Regional focus

# EPG Report

## Six core areas:

- Infrastructure development
- Financial sector development
- Energy and environment
- Regional integration
- Technological development and innovation
- Knowledge management

# Long-Term Strategic Framework

- The review of the LTSF will determine ADB's strategic direction until 2020
- Focus of the new LTSF: "transforming ADB for a new Asia"
- Consultation:
  - Started: May 2007  
Kyoto Annual Meeting
  - Completed by: May 2008  
Madrid Annual Meeting

# Thank you!!



*For the  
Children  
of Asia  
and the  
Pacific*



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