

**WELCOME REMARKS OF  
PRESIDENT CHINO  
AT MEDIA CENTER  
7 May, 2001**

Ladies and gentlemen of the media:

Welcome to the 34<sup>th</sup> Annual Meeting of the Asian Development Bank. I know some of you have traveled long distances to come to Hawaii and I want to thank you for your interest. I hope that you will all have a productive meeting and that visiting media will also find time to enjoy these beautiful islands of Hawaii.

To those who are coming to their first ADB Annual Meeting, let me explain that this is a meeting of Governors representing ADB's 59 members. During this Annual Meeting, Governors will deliver speeches telling ADB what they think of our work and what kind of directions they would like to see us take in future. Prior to that, there is an extensive seminar program which could also prove most interesting.

One major topic of discussion will be our Poverty Reduction Strategy, approved in November 1999 and which has now had one full year of implementation. The Strategy is directed at the approximately 900 million very poor people in the Asia and Pacific region who live on one dollar a day or less. This is an unacceptable situation in this day and age. Therefore, ADB's overarching goal is poverty reduction, specifically to halve the proportion of very poor people in the region by 2015.

To achieve this end, we are conducting poverty analyses to find out who and where the poor are in each country. This varies considerably from one country to another. For example, in Pakistan, the lack of education for girls is a major imperative if the economy is to make more productive use of half its labor force. In Sri Lanka, where the standard of education is relatively high, a top priority for the poor is better infrastructure such as farm-to-market roads.

We have already signed Partnership Agreements for Poverty Reduction with three of our developing members – Bangladesh, Mongolia, and Indonesia – and expect to sign Agreements with many other DMCs this year. These Partnership Agreements represent a concerted commitment to attain specific goals, such as reducing infant and maternal mortality, promoting universal primary education, and expanding women's access to reproductive health services.

We believe our strategy to fight poverty is on the right track. ADB's Poverty Reduction Strategy rests on three pillars: pro-poor, sustainable growth; social development; and good governance. Economic growth is a powerful tool for reducing poverty by generating employment and income. Growth also

expands public revenues that can be used for better infrastructure and social services.

However, growth on its own is not sufficient to eliminate poverty. Social development including gender equality is also important. So is good governance. Good governance ensures the transparent use of public funds, promotes effective delivery of public services, and helps to establish the rule of law, especially the enforcement of contractual and property rights. Since the poor depend heavily on basic services provided by the public sector – such as health and education – weak governance can affect them the most.

ADB activities also support an enabling environment for the private sector. Business generates markets and jobs, and can also relieve pressure on public budgets. One way of encouraging private sector investment in developing countries is to form public sector-private sector partnerships.

ADB is now finalizing a Social Protection Strategic Framework to reduce risks for the most vulnerable groups, including the unemployed, women, children, the elderly, and victims of natural disasters. The Asian financial crisis showed that inadequate social protection systems exposed people to excessive risks, increased the incidence of poverty and undermined longer-term human capital investments. An example of ADB's work in this area is a project in Indonesia that helps female street children, who are often victims of various forms of abuse. The project, run with NGOs, enables girls, who make up 20 percent of Indonesia's 170,000 street children, to have access to counseling as well as health and medical care.

Delegates at this meeting will be discussing our efforts to reduce poverty, and their comments will contribute to a continuing and evolving debate on how best to free Asia and the Pacific from poverty.

Given the huge challenges facing the Asia and Pacific region, let me once again emphasize that the goal of halving the poor by 2015 is daunting. It can and must be achieved, but it needs cooperation between all of us – governments, international agencies, civil society and the private sector.

May I close by wishing all of you success during the Annual Meeting. I know that Mr. Salamon and his staff will do all they can to facilitate your coverage of this event.

Thank you.