

**MONGOLIA**  
**CHULTEM ULAAN, Governor**

On behalf of the Mongolian delegation, I would like to express our sincere gratitude to the people of Hawaii, as well as to the citizens of Honolulu City for their warm hospitality and excellent organization of this important gathering in their hometown.

Mongolia has been closely collaborating with ADB since 1991 when Mongolia joined the Bank. It is a pleasure to outline that the support and assistance provided by ADB has substantially contributed to Mongolia's transition towards democracy and a market economy, and overcoming the challenges of the transitional process. Since 1991 until today, Mongolia and ADB have together undertaken more than 20 projects with a total budget of \$428 million of concessional loans and more than 90 projects with a total budget of \$45 million of technical assistance.

As Mongolia's Governor of ADB, I am strongly committed to the objectives set in ADB's Poverty Reduction Strategy of 1999, and the Government of Mongolia supports these objectives and takes action in line with this strategy. A clear demonstration of the Government's commitment is the conclusion of the Poverty Partnership Agreement between the Government of Mongolia and the Asian Development Bank in 2000. The annual review of the Poverty Reduction Agreement will play a critical role in identifying directions of future cooperation. Furthermore, I am pleased to inform you that the Indicative Lending and Assistance Program for 2001-2004 has been agreed with ADB's Country Programming Mission.

The problem of poverty still remains critical not only in Mongolia but also elsewhere in the Asia and Pacific region. The critical question is whether poverty will still be on the agenda in the 21st century. It is viewed that, while ADB member countries join their efforts in tackling poverty, it will be more effective and efficient to work in better coordination with the World Bank, IMF, UNDP and other international organizations and countries.

I do wish, in line with ADB's commitments, that more countries would join the efforts of Luxembourg, which is offering official development assistance to less developed and poor countries at a level of 0.7 percent of its GDP. So I would urge all the member countries to support Luxembourg to become a full member of ADB.

As you are well aware, the new Government of Mongolia was formed as a result of the Parliamentary elections in 2000. The new Government has taken over the commitment and will of previous governments in having and extending cooperation with ADB.

The Government fully supports ADB's Resident Mission Policy in order to intensify and integrate the close cooperation, and the Resident Mission of ADB was launched in Ulaanbaatar City this year.

It is considered that the new initiative of performance-based allocation of ADF funds will play a key role in optimizing aid utilization. As evidence of support for this new initiative, the Government of Mongolia in cooperation with the Country Programming Mission has developed a “trigger mechanism” to determine the 2002 lending level.

Let me also stress the significant role of ADB support and assistance in the privatization process of Trade and Development Bank, MIAT (Mongolia’s national airline), telecommunications, and, overall, in promoting private sector development. In the framework of regional cooperation, Mongolia is pursuing a policy of more active involvement in regional efforts to enable economic growth and reduce poverty at the regional level with the support of ADB.

Mongolia has encountered severe losses in the last two years due to drastic climatic changes and natural disasters such as “zud” (a harsh winter after a dry summer) and drought. Natural disasters that occur due to global climatic changes are encountered not only by my country but also affect other countries. Therefore, it is proposed that ADB assist its member countries in disaster relief emergency actions. Finally, I would like to express our gratitude to ADB and its dedicated staff for generous efforts to free the Asia and Pacific region from poverty. Let me also wish ADB success in its future work in enabling economic growth and reducing poverty.