

**NORWAY**  
**ÅGE BERNHARD GRUTLE, Head of Delegation**

Please allow me to join others in thanking the state of Hawaii and the city of Honolulu for hosting our annual meeting with such a unique combination of grace, warmth, and efficiency.

Norway strongly supports the long-term strategic framework (LTSF) of the Asian Development Bank (ADB) and commends the process that led up to it. We appreciate the fact that environmental challenges were added as a crosscutting strategic theme.

The LTSF reflects ADB's commitment to the International Development Goals. In that context I would like to note the happy coincidence that Luxembourg, the next country expected to join ADB, is also the most recent country to fulfill our pledge of increasing official development assistance to 0.7 percent of GNP.

We warmly welcome the confirmation of poverty reduction as the overarching goal for ADB. We respect and support President Chino's personal commitment to integrate poverty reduction into the whole range of ADB's activities. Pro-poor growth benefits society as a whole and is a prerequisite for sustainable development.

With key strategies in place, our focus must now shift to implementation. To that end ADB's organizational setup must be aligned to its new strategies and priorities. Therefore, we welcome ADB's initiative to undertake a detailed review of its organizational structure, including an analysis of staff training requirements and adequate implementation monitoring systems.

Implementation is linked to coordination and cooperation. We are pleased to see a clearer focus on country-led coordination in the final LTSF. Coordination should not mean uniformity. The much-discussed concept of competitive pluralism is constructive to the extent to which it provides governments with a wider choice of partnerships and sound advice. The regional character of ADB gives it unique strengths that must be maintained.

However, healthy competition must not detract from the urgent need for improved donor coordination. Harmonization of rules and procedures can significantly increase development effectiveness, i.e., by lightening the often-excessive administrative burden on our partners. We support efforts under way to harmonize policies and procedures among the multilateral development banks in areas such as procurement, financial management, and the environment. We have urged the World Bank to explore how changes in its own procedures can facilitate harmonization efforts. I would like to make the same plea to ADB.

There is a growing recognition that nationally owned, comprehensive, development strategies that explicitly address poverty reduction are our best hope for reaching the International Development Goals. Multilateral and bilateral development

institutions alike must coordinate their efforts in relation to country-led poverty reduction strategies. We strongly urge ADB to be an active partner for governments in developing and implementing such strategies. i.e., in the field of capacity building.

A vigorous private sector is a major precondition for poverty reduction and growth. Norway welcomes ADB's Private Sector Development Strategy with emphasis on creating enabling conditions, generating business opportunities, and catalyzing private investments. Direct lending by ADB to the private sector should have a clearly identified development impact and primarily benefit countries and sub regions that have insufficient access to financial markets.

In the absence of strong leadership and effective preventive measures, HIV/AIDS could soon pose a threat to development in Asia in the way it already does in Africa. As the leading development institution in the region, ADB should participate fully in the broad-based multisectoral efforts of the international community to prevent the spread of the pandemic. This includes active participation in the preparations for the special session of the General Assembly on HIV/AIDS in June.

I would like to commend ADB for its efforts to build partnerships with the United Nations (UN) organizations such as the United Nations Development Programme and International Labour Organization. The UN Conference on Financing for Development in 2002 represents a unique opportunity to consider the various national and international sources of development finance as a whole. The main document of the UN Secretary-General is a successful cooperative effort by the UN, World Bank, International Monetary Fund, and World Trade Organization. However, it does not incorporate the very important regional dimension presented in separate documents to the Preparatory Committee. That makes it all the more important that ADB take active part in the preparations and in the conference itself.

Similarly, I urge ADB to play an active role in the follow-up of the UN Conference on the Least Developed Countries taking place in Brussels next week.

Over the last decade, ADB has successfully transformed into a full-fledged development institution. Former president Sato started this process. President Chino has moved it forward and introduced poverty reduction as ADB's overarching goal. ADB has taken important steps to improve its internal governance, such as the establishment of the Development Effectiveness Committee. We pledge our full support to an ADB that continues to adapt to the opportunities and challenges of the new millennium.