



CANADA

ALISTER SMITH, Head of Delegation

Allow me first of all, on behalf of the Government of Canada, to thank the Government of Turkey for graciously hosting this 38th Annual Meeting of the ADB. It is truly a pleasure to discover this magnificent city and this wonderful country.

We would also like to welcome President Kuroda's participation and wish him every success as President of the Bank.

Canada's New International Policy Statement

Canada's new International Policy Statement, released just last month, presents an integrated approach to managing Canadian foreign policy objectives in this rapidly changing world. It outlines a new approach that aims to ensure that Canada's development assistance is directed to areas of high need where prospects for development results are greatest.

Correspondingly, Canada's support for multilateral institutions will increasingly be a function of their role and contribution to poverty reduction, development effectiveness, global governance, attaining the MDGs and improving transparency in procurement.

The Role of the ADB

Canada believes that the ADB has a unique role to play in the Asia-Pacific region. We are pleased that it is engaged in a very dynamic process of change. Looking ahead, the following issues will be of particular importance to us: i) the ADB's strategic vision; ii) its areas of focus and operational selectivity; iii) its institutional capacity, and, iv) its efficiency and effectiveness.

Strategic Vision

- Given the push for greater effectiveness and efficiency among multilateral development organizations, the ADB needs a clear and more focused strategic vision. The Medium-Term Strategy for 2006-2010 offers an excellent opportunity to formulate this vision.

Areas of Focus and Operational Selectivity:

- The Bank is burdened by a complex array of goals and thematic objectives. The way forward lies in greater selectivity and real focus at the country level, in coordination with other development partners.
- However, that does not mean that Canada thinks the ADB should become a narrowly focused institution. Along with poverty reduction, Canada believes that the Bank should emphasize issues such as eliminating corruption, as well as promoting regional integration, gender equality and environmental objectives.

- Also important are the effective implementation of the revised Poverty Reduction Strategy and the preparation of a Middle Income Country Strategy. The Middle Income Strategy must reinforce the ADB's poverty reduction mandate and maintain the essential integrity of key safeguard policies, while streamlining processes to increase the competitiveness and relevance of ADB products and services in these important countries.

Capacity

- Mr. Chairman, ultimately, the ADB's human resources are the key to its success. We encourage the ADB to speed up the implementation of the Human Resource Strategy, including more transparent and merit-based human resource management practices.
- For its part, Canada is ready to support a strengthening of the human and operational capacity of the Bank, based on a comprehensive analysis of the needs generated by the policy and reform initiatives under way.

Efficiency and Effectiveness

- Much is being done to improve efficiency and effectiveness and we applaud the Bank's efforts in this regard. However, we urge the ADB to raise the quality of its work on capacity building. In particular, the ADB needs to strengthen its capacity to deliver on gender equality, including increasing the number of gender specialists.
- Canada values the work of the Private Sector Operations Department. Improved collaboration between the public and private sector operations of the Bank will ensure that these operations are better aligned with the Poverty Reduction Strategy and the development effectiveness objectives of the Bank. We would also recommend that the Bank adopt an independent review of risk assessment for the Private Sector Operations Department.

Conclusion

Mr. Chairman, we welcome the many new initiatives underway at the Bank. They contain a large number of benchmarks against which the Bank will be judged. The challenge now will be to follow through.

We strongly encourage President Kuroda to pursue the reform process with determination, with the goal of making the Bank a more modern, efficient and effective institution. Canada stands ready to support the President and the Bank in this endeavor.

Thank you.