



DENMARK

OLE MOESBY, Governor

Ladies and gentlemen, let me join others in thanking the Government of Turkey and the city of Istanbul for hosting the Annual Meeting. We are privileged by the excellent arrangements and the kind hospitality. A warm welcome to Mr Haruhiko Kuroda – the new President of the Asian Development Bank.

Last year ended on a tragic note. The tsunami on 26 December killed close to 300,000 people and destroyed the livelihood of millions. I would like to commend the ADB on its fast response to the disaster.

Today, Asia is the most dynamic region in the world in terms of economic growth. While poverty is declining, progress has been diverse. Deep pockets of poverty remain, the gap between the rich and the poor is widening and income inequalities are increasing. Nine hundred million people in Asia still survive on less than 1 US\$ a day.

Pronounced inequality is not only unacceptable in moral terms - it also undermines sustainable growth.

Integration and cooperation - one of the major themes at this Annual Meeting - is a key factor in creating sustained economic growth in Asia. However, in the end its success will depend on a cohesive approach to poverty reduction.

Economic growth is not in itself a panacea for poverty eradication. Much more needs to be done. The ADB has a very important role to play in promoting equitable and pro-poor economic growth.

Good governance is paramount. The rule of law, human rights and a well-functioning public sector that fights corruption and ensures fundamental social services promote social stability and a climate conducive to broad-based economic growth. We all have an obligation to support good governance and fight corruption - not least ADB, the trusted family doctor of the region.

ADB is faced with many challenges. Development effectiveness is one of them. ADB took an important step forward in enhancing its effectiveness when formulating the so-called Reform Agenda last year. Initiating a process of transformation aimed at - on the one hand - providing more efficient support to the developing countries in Asia and - on the other hand - becoming a more modern and transparent organisation. The implementation of both tracks is equally important if the ADB is to stay relevant, efficient and effective. We urge the Bank to continue the process of becoming more efficient and transparent.

Harmonisation and aid coordination are vital. We commend the ADB for promoting the harmonisation agenda at the institutional level. We would also like to see the ADB play a more active role in aid coordination and harmonisation at country level under the country leadership and in line with national priorities. In this context, decentralisation to resident missions, including sufficient resources and authority is an important and necessary element.

Let me conclude by ensuring you, President Kuroda, of our full support to your leadership in the years to come. We look forward to working together with you.