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BRUNEI DARUSSALAM

Adb Rahman Ibrahim, Governor

It is a great honor and privilege to address this distinguished audience in the beautiful and historic city of Hyderabad at the 39th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB). As you know, this is our country's first opportunity to participate in this very important gathering. On behalf of the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam, may I therefore express my sincere appreciation to the Government and people of India for their warm hospitality and for the excellent arrangements for the meeting. I would also like to extend my heartfelt gratitude to all ADB's member countries for their overwhelming support for Brunei Darussalam's application to join this eminent institution. My special thanks are also due to you, President Haruhiko Kuroda, and your staff, for organizing a special membership ceremony to mark our admission into the fold of the ADB, just a few days ago at the ADB headquarters in Manila. Thank you for all your assistance in making our membership in ADB a reality. We would also like to extend our appreciation and thanks to ADB for its many invitations to Brunei Darussalam to participate in meetings and programs, including the Annual Meetings, even when Brunei Darussalam was not yet a member country.

Since its establishment in 1966, ADB has made great strides in its efforts to fulfill its overarching objective of eradicating poverty and improving the livelihood of the people in Asia and the Pacific region. In recent years, ADB has been instrumental in assisting the ASEAN and ASEAN+3 processes; in developing initiatives in the areas of surveillance and crisis prevention, capital market development; and in promoting regional cooperation and integration as a whole. In this connection, I welcome ADB's on-going reform efforts to improve its effectiveness, and the recent introduction of the second medium-term strategy (MTS II), which focuses on the importance of quality investment, sustainable and equitable growth, and regional cooperation and integration. With regard to the latter, the Office of Regional Economic Integration (OREI) has recently been established. These strategies demonstrate ADB's unwavering commitment to stamp out poverty and meet new challenges affecting the development process, despite the uncertain current global economic landscape threatened by global payment imbalances, the threat of avian influenza, volatile oil prices, and trade protectionism.

We are aware that development is a long and challenging process. However, we also believe that this process can be tackled effectively, through a comprehensive and integrated approach that takes into account, not only its economic, political and social impact, but also its unique and individual circumstances. We have learned from a recent ADB study that sustained, robust growth has not translated into sustained and adequate employment creation. In many countries, production processes have made significant use of capital-intensive technologies that lead to higher productivity at the expense of employment



creation. Therefore, development strategies need to strike a balance between the utilization of capital and labor to ensure they have maximum impact on employment creation. At the same time, more widespread distribution of economic activities, in both urban and rural areas, will ensure that economic and social disparities can be significantly narrowed. Thus, we share the view that more emphasis needs to be placed on employment creation, to meet the dual objectives of robust growth and reducing unemployment and poverty. It is thus crucial to venture into and promote new economic activities that will ensure greater job opportunities.

ADB is not just a multilateral financial institution. It is also an institution that possesses an enormous wealth of knowledge and expertise which countries like Brunei Darussalam can take advantage of. We therefore hope to capitalize on the technical assistance and the many capacity-building programs that are planned by ADB every year, in particular in the areas of capital market development, surveillance and crisis prevention, finance, privatization, and energy development.

I would like to conclude my address by again thanking all ADB's shareholders for their support and ADB's management and staff for their assistance. We look forward to a productive and meaningful relationship with ADB in the years to come.