

Chair's Summary of Meeting of the Board of Directors

7 April 2008

Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank 2008-2020

1. The Board of Directors approved the R-paper on Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank 2008-2020. Many Directors expressed appreciation for the extensive consultation process followed in preparation of the paper. Directors supported ADB's continued strategic vision of "An Asia Pacific Free of Poverty" and its mission to help its DMCs reduce poverty and improve living conditions and quality of life. Directors also supported the three interrelated development agendas of inclusive growth, environmentally sustainable growth, and regional integration, and the five core operational areas: infrastructure, environment, regional integration, financial sector development, and education.

2. The Strategy's emphasis on private sector operations was widely supported. However, some Directors emphasized that the public sector would continue to play a major role in key sectors with strong developmental externalities. Some Directors supported the inclusion of other operational areas, including agriculture and health, and suggested the need for ADB to be flexible in its approach to implementation of the Strategy 2020 depending on the client needs.

3. Some Directors stated that the strategy should have focused more strongly on gender, capacity development for governance, and safeguards. Directors emphasized the distinct importance of renewable energy. The need for embedding knowledge in operations in general and particularly in the middle income countries was emphasized by some Directors. Directors expressed various views on the role and scope of ADB's future assistance to middle-income countries, with some noting that provision of knowledge services will gradually displace lending to such countries as per capita income increases; others thought ADB should maintain a robust lending capacity in middle-income countries.

4. Directors discussed three issues that would determine the efficacy of Strategy 2020: resources, the results framework to monitor internal and external operational effectiveness, and internal institutional reforms. While many Directors generally supported ADB's approach to consider the need for resources as an issue separate from the formulation of the institution's long-term strategy per se, they emphasized the need for adequate resources for ADB to remain relevant and effective. Some other Directors stated that Strategy 2020 should have explicitly articulated the resource requirements of implementing the strategy. Many Directors agreed to treat the Strategy 2020's results framework as a work-in-progress, and welcomed President's opening remarks that the Board would approve a revised corporate results framework. Many Directors called for a clearer implementation plan, including a plan to achieve institutional effectiveness, and to address human resource issues, and suggested that these issues should be clearly articulated in the Work Program and Budget Framework.

5. One Director opposed the paper, one Director stated that a member of the constituency reserved its position¹, and one other Director stated that a member of the constituency abstained.

¹ The Chair's Summary reflects discussions on the Board meeting of 7 April 2008. Subsequent to this meeting, the member of a constituency that reserved its position has expressed support for the Strategy 2020.