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## ABOUT THIS REPORT

This report is produced by the Governance and Capacity Building Resource Group in the Strategy and Policy Office of the Asian Development Bank. It is intended to summarize the discussions that took place at the Asian Development Bank's Workshop, *Key Themes and Priorities for Governance and Capacity Building in the Asian and Pacific Region* held at ADB headquarters in Manila from 12-16 January 1998. The findings, interpretations and conclusions expressed in the report do not necessarily represent the views of the Bank or those of its member governments. The Asian Development Bank does not guarantee the accuracy of the data included in this publication and accepts no responsibility whatsoever for any consequences of their use.

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<sup>1</sup> Copies of these papers are available from the Governance and Capacity Building Resource Group at the Asian Development Bank upon request.



## PREFACE

In light of the developments in the Asian and Pacific Region over the last year, few would dispute the importance of issues of governance and capacity building. Whether one is addressing the transparent and independent regulation of financial markets, the efficient and effective delivery of critical public goods and services, or the importance of effective mechanisms for public sector management and policy formulation, coordination and implementation, it is clear that the capacity of governments to make appropriate decisions and to mobilize the human and financial resources necessary to implement them will have a profound impact upon their long-term economic development.

In recognition of the importance of governance issues to development, the Asian Development Bank's (ADB) Board adopted the policy, *Governance: Sound Development Management* in August 1995 and approved an Anti-Corruption Policy in July 1998. In framing our approach to these broad and challenging topics, it is necessary to prioritize our interventions to facilitate the development of our internal capacity and to ensure that our operations reflect evolving best practice. At the same time, we must ensure responsiveness to the changing needs of our clients and beneficiaries.

It was with these goals in mind that we organized a gathering of senior government officials and leading international experts in Manila in January 1998. As this report indicates, we are pleased by the quality of the turnout and the helpfulness of the discussions. The feedback we received is already being integrated into a number of Bank projects and policy documents, and it will undoubtedly continue to enhance the quality of our operations for some time to come. The discussion at the Workshop, and the report itself, followed the map set out in the comprehensive background paper. That paper is

included as Appendix 1. Consequently, the report itself could be kept short and no summary is needed.

I would like to offer my thanks to a number of individuals whose efforts played an important role in the success of this venture. Under the general guidance of Salvatore Schiavo-Campo, the ADB Advisor for Public Sector Management and Reform, the Governance and Capacity Building Resource Group in the Strategy and Policy Office conceived and organized the workshop. Robert Beschel played the key role in organizing the Workshop and drafting the report. Lorna del Rosario, Marilyn del Mundo and Earleyne Littau performed admirably in handling the logistical arrangements. Thanks are also due to the overall rapporteur, Edmund Attridge, and the individual session rapporteurs: Nicholas Manning, Cornie Huizenga, Naved Hamid, Michael Moriarty, Shang-Jin Wei and Bhuvan Bhatnagar as well as the break-out session chairs: J.B. Kristiadi, Michael Keating, William Fox, Rajat Nag, Le Dang Doanh and Sam Paul.

The bulk of the credit goes to the participants themselves, to the high quality of their interventions, and to the enthusiasm with which they accepted the challenge that we set before them. Perhaps the best indicator of success is that the workshop has sparked a lengthy and continuing dialogue, and many participants continue to remain engaged to provide useful insights.

Yoshihiro Iwasaki  
Chief  
Strategy and Policy Office  
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August 1998  
Manila, Philippines

**KEY THEMES AND PRIORITIES  
FOR GOVERNANCE AND CAPACITY BUILDING  
IN THE ASIAN AND PACIFIC REGION**

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