

CONSULTATIONS WITH CIVIL SOCIETY REPRESENTATIVES ON ADB'S LONG TERM STRATEGIC FRAMEWORK (LTSF) REVIEW IN NEW DELHI ON 6 SEPTEMBER 2007: A RECORD OF PROCEEDINGS

A. Introduction

1. ADB conducted consultations on the review of the LTSF with Civil Society representatives from the South Asia region on 6th September 2007 in New Delhi. (Please refer to Annex I for the list of persons present and Annex II for the session programme). The consultations covered three key issues (i) Risks and Challenges in the South Asia region (ii) Strategic options, operational priorities and thematic priorities for ADB and the relevance of the EPG recommendations, and (iii) ADB's own strengths and weaknesses.

2. There was a strong suggestion from the participants that future ADB consultations should ideally be tripartite with government, private sector and CSO representation.

B. Risks and Challenges of the Asia and Pacific Region

3. The participants deliberated extensively on the barriers to economic growth and poverty reduction in South Asia and identified the following key risks and challenges:

- **Increasing disparities despite economic growth** leading to an increased incidence of insurgency, terrorism, and armed conflict in the region.
- **Weak institutions of governance** with declining accountability, transparency and increasing corruption leading to the alienation of the poor and the marginalized from the development process.
- **Declining quality of public service delivery** with governments less inclined to be the providers of basic services in the areas of health, drinking water, sanitation and education. Public private partnerships (PPP) are being promoted as an alternative delivery channel, without any measures for greater accountability of the private sector or clarity on mechanisms for inclusion.
- **The Private sector**, which though seen as the engine of growth in South Asia has limited mechanisms and experience of enabling inclusive growth and transparency of in its operations; and limited means of ensuring accountability to the public.
- **Shrinking space for CSOs, especially to work on contested issues** with most CSOs facing constraints of access to funding for micro-level operations, work on contentious issues and with marginalized populations. According to the some participants, this has happened due to increased government constraints on the flow of donor funding and its expectation that the gap can be met by utilizing public delivery systems. The latter has been difficult for most CSOs as the Government systems are often inefficient and corrupt.
- **Shortage of trained human resource** and flight of available trained human resources out of poor and underdeveloped regions.

C. Strategic Focus

4. Most participants argued that the vision of an 'Asia Pacific region free of poverty by 2020' was unrealistic. The participants, however, suggested that poverty reduction with inclusive growth should be the focus of ADB's operations in South Asia. The participants also pointed out the need to have a more disaggregated approach to measuring poverty, as poverty impact is different across the region. It was mentioned that ADB has to factor in the challenge of increasing violence and conflict in South Asia as also draw upon the cultural diversity and richness of Asia. However, questions were also raised as to whether ADB had evaluated its progress/track record thus far in the area of poverty reduction and whether it had learned any lessons on the basis of that, before moving onto another mission and vision.

5. **Operational Priorities:** The participants supported the six priority operational sectors identified by the EPG. The specific areas where they felt ADB can play a major role in South Asia are:

- Education, health, agriculture, water and sanitation
- Building capacities and skills to increase the employability of the poor
- Capacity building and knowledge management
- Strengthening development finance for grass roots action
- Incorporating lessons from traditional knowledge systems, the work of CSOs and social movements

6. **Role of ADB:** Almost all the participants suggested that ADB should facilitate *Public-Private* partnerships i.e. partnerships between Governments and CSOs and dialogue between Governments, CSOs and the Private sector. They also suggested that ADB should:

- Enable poverty alleviation along with inclusive growth
- Help ease infrastructure bottlenecks and improve service delivery
- Promote regional co-operation in managing conflict and terrorism, knowledge and technology transfer and strengthening inter-government institutions.
- Help in mainstreaming issues related to climate change in the development process
- Strengthen development finance for grassroots action

D. Operational Strengths and Weaknesses

7. The participants pointed out that ADB appeared to focus its attention exclusively on infrastructure development and institution strengthening. Promoting inclusive growth, addressing social questions like equity, gender, inclusion, greater partnership and engagement with CSOs and social movements are future areas that ADB should pay attention to. The participants suggested that ADB must seriously find ways of building its own capacities in these areas if it is committed to facilitating sustainable and inclusive development.

ANNEX- I: LIST OF PARTICIPANTS

Civil Society

1. Mr. Mostafa Quaium Khan, Executive Director, Coalition for Urban Poor, Bangladesh
2. Mr. Sanjay Vashist, Fellow, The Energy and Resources Institute, India
3. Ms. Shefali Sharma, South Asia Regional Coordinator, Bank Information Center (US based), India
4. Mr. Harsh Jaitli, Director, Participatory Research In Asia (PRIA), India
5. Dr. Dwarika N. Dhungel, Former Secretary of Ministries of Land Reforms, Water Resources, and General Administration, Nepal
6. Dr. Shanta Bahadur Gurung, Chairman, National Foundation for Development of Indigenous Nationalities, Nepal
7. Prof. Sridhar Khatri, Executive Director, South Asian Centre for Policy Studies, Nepal
8. Ms. Sapana Malla Pradhan, Chief Executive, Forum for Women Law and Development (FWLD), Nepal
9. Dr. Vinya Ariyaratne, Executive Director, Sharvodaya Shramadana Movement, Sri Lanka
10. Mr. C. Maliyadde, Vice President, Lanka Forum on Rural Transport Development, Sri Lanka

ADB Participants

11. Mr. Kunio Senga, Director General, South Asia Department, ADB, Manila
12. Mr. Kazu Sakai, Director General, SPD, ADB, Manila
13. Mr. Werner Liepach, Principal Director, ADB, Manila
14. Ms. Manju Senapaty, Sr. Planning and Policy Economist, SPD, ADB, Manila
15. Mr. V. B Tulasidhar, Sr. Economist, Regional Cooperation, ADB, Manila
16. Mr. Geoff Crooks, Evaluation Specialist, OED2, ADB, Manila

ANNEX II: SESSION PROGRAMME

6 September 2007 Thursday

Consultations with Civil Society Organizations

TIME	ACTIVITY
2:00 – 2:15	Introductory Remarks Mr. Kazu Sakai, Director General Strategy and Policy Department (SPD), ADB
2:15 – 2:35	Presentation on LTSF Review and Key Issues Ms. Manju Senapaty, Senior Planning and Policy Economist Strategy and Policy Department (SPD), ADB
2:35 – 3:45	Discussion Session 1: Views from CSO participants <i>“Risks and Challenges of the Region and the Role of ADB”</i> Chair: Mr. Kunio Senga, Director General South Asia Department (SARD), ADB Moderator: Mr. Aromar Revi, ADB consultant
3:45 – 4:00	Tea Break
4:00 – 5:15	Discussion Session 2: Views from CSO participants <i>“ADB’s Vision , Mission and Operational Priorities”</i> Chair: Mr. Kazu Sakai, Director General Strategy and Policy Department (SPD), ADB Moderator: Mr. Aromar Revi, ADB consultant
5:15 – 5:30	Closing Remarks Mr. Kazu Sakai, Director General Strategy and Policy Department (SPD), ADB