



# STRENGTHENING PARTNERSHIPS

MESSAGE FROM THE CHAIRMAN OF  
THE BOARD OF DIRECTORS

The year 2001 was for me particularly moving. Together with the rest of the world, I shared the pain of nations rocked by disasters, natural and otherwise. Throughout the year, I met so many people who cope with life in the most difficult circumstances. I recall in particular the wonderment of a young street child as she celebrated a birthday, an event never before acknowledged.

That which moved me also inspired me. I took the opportunity to learn more from our developing member countries (DMCs). I visited several, some for the first time. I met with governments to form partnerships for reducing poverty. I visited project sites. I saw bridges that strengthened economic cooperation among neighboring countries. I listened to the voices of the poor.

I saw poverty.

But I also saw hope.

I saw nations working together, new alliances being formed, old friendships drawing new strength from a common goal.

My travels reconfirmed my belief in what we at the Asian Development Bank (ADB) are doing. The Poverty Reduction Strategy we adopted in 1999 brought us closer to realizing the goal of a region free of poverty. The Long-Term Strategic Framework (LTSF), adopted in 2001, provides the fundamental operating principles to shape the future. Our Social Protection Strategy will help vulnerable populations throughout the region to better manage risks and develop their capital. Our community empowerment projects and natural resources management projects will benefit indigenous peoples and ethnic minorities, groups that often bear the greatest burden of poverty. The private sector supports growth and catalyzes investment—necessary to support our poverty reduction efforts. Governance initiatives and

assistance to DMCs in implementing policy, legislative, and administrative reforms are creating the environment necessary to sustain growth. Our new water policy that calls for conservation and awareness campaigns will lead to better regional management of this precious shared resource. The Pacific Strategy will help the island economies realize the benefits of economies of scale and encourage private sector investment as a way to address poverty.

My travels also validated the importance of partnerships—the strength we all gain by working together. In times of crisis, partnerships are especially important. ADB acted swiftly to help the people of Gujarat following a devastating earthquake. After witnessing the events of 11 September, we joined the partnership of nations and individuals in dealing with this tragedy. Videoconferencing with our development partners closed the physical distance between us. Partnerships are helping the people of Afghanistan face the future with hope. Agreements we reached with governments and other development institutions are strengthening the region's legal systems, improving governance, saving fragile ecosystems, and helping nourish a mother and her child.

We need not travel long distances to see the benefits of partnerships. When we invited 500 Filipino street children and several nongovernment organization caregivers to ADB headquarters in April, we asked the children to draw the streets of their city. Their drawings touched us. We want for them what they want for themselves: a life of dignity, a life without poverty. Like the agreements we signed with other governments, the Poverty Partnership Agreement between the Philippines and ADB will bring us closer to that goal.

These experiences renewed my determination to ensure that ADB will continue to make a difference. DMCs and ADB cooperate to develop country strategy and program reports and their updates, ensuring DMC ownership of the development agenda. With our new loan products, based on the London interbank offered

rate (LIBOR) and introduced in 2001, we help our public and private sector borrowers better manage interest rate and exchange rate risks. Our reorganization and new business processes—developed in 2001, and made effective in January 2002—ensure our responsiveness to our partners. Our efforts must not be in isolation.

Individually our institution can make a difference. We can comfort a sick child, teach a village to feed itself, help educate the people. We can help harvest crops, empower women, and build ports and bridges. We can tap energy sources, and strengthen private sector enterprises. But this is not enough.

If there is a lesson I can share from 2001, it is that individually we can do much, but with our partners and a common goal of poverty reduction, we can achieve so much more.

Solidarity gives us strength.

ASIAN DEVELOPMENT BANK  
Manila

27 March 2002

Chairman of the Board of Governors  
Asian Development Bank

Dear Mr. Chairman,

In accordance with Article 39 of the Articles of Agreement of the Asian Development Bank and Section 13 of its By-Laws, I submit to the Board of Governors the *Annual Report 2001*, including a separate report on the activities of the Special Funds, which has been prepared under the direction of the Board of Directors. The *Annual Report* also includes the financial statements prescribed in Section 15 of the By-Laws.

Sincerely,

*Tadas Chino*

TADAO CHINO  
President and Chairman  
of the Board of Directors