

FINANCIAL CRISIS AN OPPORTUNITY TO 'GREEN' ASIA, SAYS PANEL

BALI, INDONESIA (2 May 2009) – The global economic crisis presents challenges but also a golden opportunity for the Asia and Pacific region to move to a sustainable and cost-effective, low-carbon 'green' path, a panel audience heard today at the Asian Development Bank's (ADB's) 42nd Annual Meeting.

The ADB- World Wide Fund for Nature (WWF) panel on "Greening Asia's Footprint: From Global Crises to Sustainability," discussed how the region can shift to a greener economic growth model that is affordable and preserves past development gains.

Speakers on the panel included Ursula Schaefer-Preuss, ADB Vice-President for Knowledge Management and Sustainable Development, and Timothy Geer, Director, Government and Aid Agency Relations, WWF International. Academics and members of the private sector also attended the event.

The crisis has put a severe strain on the region, setting back development plans and threatening to reverse decades of progress on poverty reduction. Many countries have responded with fiscal stimulus packages and other measures to speed economic recovery and create jobs but there is a need to ensure new infrastructure investment spending has an environmentally sustainable focus.

"It is at this critical point in time that we have an opportunity to promote and finance a different kind of investment package, namely one that is greener and centers around environmentally sustainable infrastructure, the production of low-carbon goods and services and the building of more climate-resilient societies," says Ms. Schaefer-Preuss.

Adopting low-carbon, green technologies has been considered too costly for developing countries in the past, but Mr. Geer says with careful planning, green investments can put countries on a low-carbon path without losing income flows.

"Natural resources are a springboard for developing countries' economies, and essential for the welfare and livelihoods of both rural and urban populations. Development planning—both public and private—which takes into account not only immediate but also long-term needs, and factors in and reduces climate change, will leave people, nations and companies better equipped to face the future, and avoid future crises," says Mr. Geer.

The cost of inaction on climate change was revealed in a new ADB study, *The Economics of Climate Change in Southeast Asia: A Regional Review*. The study of four countries shows that if they adopt a business-as-usual approach to energy use and the environment, the combined damages from climate change impacts could equal more than 6% of their gross domestic products by the end of this century.

A key element of ADB's long-term development strategy is to help countries move to a low-carbon, environmentally sustainable growth path, and to assist them to become more resilient to the impacts of climate change. To help achieve this goal, ADB works closely with member countries and development partners to incorporate environmental protection measures in all its operations. It partners with WWF on a number of key programs including the Coral Triangle Initiative—a regional effort by Indonesia, Malaysia, Papua New Guinea, the Philippines, Solomon Islands and Timor-Leste to preserve and manage the region's marine resources—as well as the Greater Mekong Subregion Core Environment Program which aims to integrate environmental considerations into cross border development in areas including tourism, transport and energy.

ADB, based in Manila, is dedicated to reducing poverty in the Asia and Pacific region through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members – 48 from the region. In 2008, it approved \$10.5 billion of loans, \$811.4 million of grant projects, and technical assistance amounting to \$274.5 million.

ADB's Annual Meeting brings together finance ministers, senior government officials, business leaders, academics, media, and representatives of international organizations and civil society from across Asia and the Pacific to discuss ways to effectively address poverty and ensure sustainable economic growth in the region.

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