



CANADA

JAMES P. MELANSON, Head of Delegation

Allow me to thank the Government of the Republic of Korea, and the people of Jeju for hosting this 37th Annual Meeting of the Asian Development Bank (ADB), and for the excellent arrangements provided to us in this wonderful setting. It is truly a pleasure to see, alongside the Republic of Korea's remarkable economic development, the beauty of the country's physical environment and the richness of its culture.

ADB is at a critical juncture, in the midst of a wide-ranging and ambitious reform agenda that is transforming fundamentally not only the way ADB is operating, but also the way it is seen to be operating. We are very pleased and encouraged by this.

Sustaining this agenda over the long term will be key to its success. This will require strong leadership and ongoing commitment by ADB management, and full support of all ADB staff. The new Human Resources Strategy will be a fundamental tool to underpin ADB's major policy initiatives, and in particular the revised Poverty Reduction Strategy and Management for Results. With respect to the latter, Canada is pleased to have agreed with ADB on the establishment of a new Cooperation Fund for Results-Based Management, with a particular focus on building capacity in developing member countries.

We remain convinced that ADB has a unique and essential role to play in the Asia-Pacific region, as a leading partner in the promotion of equitable economic opportunity and the attainment of the Millennium Development Goals. To exploit its full potential in this regard, ADB must use its immense knowledge and experience to become a dynamic agent of change, innovation, and creativity. ADB must always be ready to question its relevance in a way that leads to stronger, more focused, and productive partnerships with its member countries.

ADB must move forward by concentrating on its areas of comparative strength and advantage. ADB will need to define a strategy for its engagement in middle-income countries that will be fully coherent with, and integrated into, ADB's overall poverty reduction mandate.

Canada attaches great importance to the question of gender equity, in ADB's operations and in its own human resources practices. ADB has made some notable progress, but I believe that there is room for ADB to take an even more proactive approach on this front.

I would like now to turn to the role of ADB in private sector development, first by quoting the landmark report of the United Nations Commission on Private Sector and Development, co-chaired by Canadian Prime Minister Paul Martin and former Mexican President Ernesto Zedillo. The Commission believes the primary responsibility for achieving growth and equitable development lies with developing countries. This includes creating the conditions that make it possible to secure the needed financial resources for investment. Those conditions—the state of governance, macroeconomic and microeconomic policies, public finances, the financial system, and other basic elements of a country's economic environment—are largely determined by the actions of domestic policymakers. Their challenge is to launch reforms that bring about further changes in institutional frameworks to unleash and foster the private sector.

This in our view is precisely where ADB is best placed to assist its borrowing members, building the enabling environment and acting as a catalyst for new approaches by working on the difficult regulatory and business climate improvements necessary for the private sector to flourish. In this regard, ADB's work directly with the private sector can be most successful when it is closely aligned with ADB country program operations, when it contributes to poverty reduction, and when it supports the Management for Development Results agenda.

In closing, I would like to extend Canada's sincere appreciation to President Tadao Chino for the leadership and commitment he has shown in setting ADB on its new course. That ADB can now be seen as fully focused on poverty reduction, country-led development, and results-based management is a tribute to his energy, his vision, and his dedication to ADB and to the well-being of the people of the Asia and Pacific region.