

INDIA

P.G. MANKAD, Head of Delegation

I join my fellow delegates in thanking the people and the Government of the Republic of Korea, the Provincial Government of Jeju, and the Asian Development Bank (ADB) for their warm hospitality and the meticulous arrangements. I have pleasure in welcoming the two new members, Luxembourg and Palau.

Overall, Asian economies have done very well, in growth as well as reduction in poverty levels. The People's Republic of China has consistently grown at high rates. India has achieved an impressive growth rate of more than 8% in the last financial year. The country's sound macroeconomic fundamentals are evident in the strong reserves position, moderate price levels, and vibrant manufacturing and service sectors.

There is an obvious requirement to sustain such momentum, but also the need to recognise that national-level achievements do not adequately reflect significant shortfalls at subnational levels. The South Asia region is broadly on target to meet the goal of reducing income poverty, but a huge step up in resources and efforts is needed to achieve the desired results in such subregions.

In the quest to achieve inclusive and balanced growth to reach the Millennium Development Goals, developing countries face serious challenges. Some are internal, which we must address ourselves. Many are external, on which we have little control. Many countries still remain critically dependent upon concessional aid, and look for increasing net inflows of such assistance.

The direction of official development assistance is as relevant as its quantum. The thrust on the social sector is entirely valid, but the relevance of infrastructure for poverty alleviation should not be lost sight of. The Asian character of ADB and its core competence in infrastructure development can and should drive the pro-poor growth in the region.

Different countries have different needs and therefore the strategies of ADB for helping them can also not be uniform. The focus of ADB should therefore be on need-based assistance with the flexibility to customize innovative country-specific packages, delivered speedily and at reduced transaction costs.

The process of poverty alleviation can be accelerated by developing countries sharing their expertise with one another, and achieving greater synergies. ADB can contribute to this process by being a catalyst.

There is also a need to build greater country ownership in ADB's Technical Assistance operations, and to look to optimising the results from these, using local and developing member country (DMC) expertise wherever feasible without compromising on quality.

Greater client focus and sensitivity to the expectations of DMCs would help ADB even more in fulfilling its role as the institution that all developing countries in the region look up to as a credible and supportive development partner.

We welcome ADB's increasing attention to development effectiveness and results orientation, and also appreciate the strategy of country focus and the efforts at promoting regional cooperation.

We see everyone around this table as partners in the same endeavour, that is, fighting poverty in the region. We have high hopes from ADB as the development bank for a region that is expected to be the powerhouse for the global economy in the next decade.

In conclusion, I would like to say that India has offered to host the 2006 Annual General Meeting and we look forward to your support for this.