

# Appendixes

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## Appendix 1.

### SENIOR EXTERNAL ADVISORY PANEL

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## Appendix 2.

### CHALLENGES FOR THE ASIA AND PACIFIC REGION

**T**he context of Asian development has changed significantly since the establishment of the Asian Development Bank (ADB). These changes, and the even more profound ones that are likely to occur in the next 15 years, will present considerable challenges to the countries of the region, both as constraints and opportunities. These challenges result from global and regional forces and trends that will shape the development agenda of the region and the corresponding strategic agenda of ADB.

#### Global Factors, Forces, and Trends

**Globalization.** Global forces and trends greatly influence Asia's development. Today, many of these are lumped together under the term globalization: the emergence of an increasingly integrated world, reflected in expanding trade and investment flows; mobile capital; a changing structure of global production; an increasingly open policy environment; the spread of market forces; and the new, central role of information and communications technology. These forces are reshaping relations among countries, regions, and social groups, and changing the nature of the development process itself.

Globalization opens up new opportunities for developing countries. It allows for broader and faster access to resources, capital, technology, know-how, and markets; expanded development options; and increased potential for participation in the development process. The information revolution is an example of such expanding opportunities: it allows unparalleled access to information and know-how and

provides the potential for leapfrogging in the development process and for greater integration between developing and industrialized economies, as well as among the countries of the region. An illustration of this trend is the extensive development of mobile phone networks in countries with limited fixed cable capacity.

On the other hand, globalization also involves risks. Risks arise because increased linkages among countries can constrain the capacity of national governments to chart their own economic and social policies; an important example of such constraints is the pressures that international capital markets exert on local financial markets. In addition, some countries, regions, and groups risk being relegated to the margins of an expanding global economy because of technological and financial incapacity. Just as the information revolution provides an example of the opportunities of globalization, it also illustrates its risks: globalization can divide as well as integrate. Participating in the information revolution requires upgrading skills, technology, infrastructure, and institutions. Without these preconditions, countries risk being left behind, widening further the gap between countries at different levels of development.

**Capital Flows.** The globalization of capital flows has changed the fundamental composition of net long-term resource flows to developing economies. It has led to the dramatic expansion of private capital flows from 43.5 percent of net long-term resource flows in 1990 to 89.5 percent in 1996; even in 1998, at the height of the Asian crisis, the level of private capital investment was holding at 82.3 percent, or more than four times the level of official flows. By contrast, concessional finance in

1998 was one third below the 1990 level in real terms.<sup>13</sup>

**The Role of Markets.** Along with a shift in the sources of development finance, there has been a corresponding shift in the intellectual and institutional foundations of development, emphasizing the central role of markets and the private sector in the development process. The expanding role of private capital and markets has changed but not eliminated the role of governments and official development finance. The contribution of global private capital flows to development and, in particular, to poverty reduction, has been uneven: private investors and capital markets will not address key development issues whose financial returns they perceive to be low, and they have little incentive to invest where they judge the environment to be highly risky—which is often where poverty is most persistent. Therefore the role of official finance in development continues to be essential, even as such financing is under increasing pressure. Furthermore, markets must be supported and supplemented by governments, both to create appropriate institutional frameworks for the private sector and to help strike a balance between market forces and social cohesion, the lack of which can result in overly skewed, market-determined distributions of income and wealth.

**Country Ownership.** A consensus has grown within the international development community and the developing world on the key features of the development process. Strong country ownership of policy and institutional reform is essential for their successful implementation, and a wide range of stakeholders, especially the intended beneficiaries of development initiatives, must contribute to the development process if poverty reduction

and sustainable development are to be achieved. Such ownership and participation necessarily change the role and responsibilities of government—in particular, with respect to civil society.

**Cooperation.** Cooperation and partnerships are increasingly important in ensuring the efficient and effective use of resources to support the development process. Innovative partnerships are needed among aid agencies and international financial institutions, brought about by enhanced and expanded coordination within a framework of “constructive pluralism.” Increasing collaboration is required between participants in the development process that have important contributions to make to development. These include not only governments, official aid agencies, and international financial institutions, but also subnational and nongovernment participants such as nongovernment organizations, civil society, and the private sector (at the community and local as well as the national level).

**Multilateral Development Banks.** Even as the development agenda has expanded greatly since ADB’s inception, encompassing a widening range of issues in social development and governance including various global issues such as the environment, labor standards, gender discrimination and international migration, the global environment of multilateral development banks (MDBs) has also changed significantly. In the present international climate, competition is more intense for declining overseas development assistance (ODA) funds—including demand for postconflict reconstruction. As a consequence, the need for ODA, especially for concessional financing, has come under increasing scrutiny—especially when expanding private capital flows are seen as available, in principle, to finance development. Furthermore, with ODA funds limited and declining, the aid community is

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<sup>13</sup> International Monetary Fund. 1999. *World Economic Outlook*. Washington, DC.

beginning to allocate development assistance increasingly on the basis of the demonstrated performance of both economies and international institutions.

## **Regional Factors, Forces, and Trends**

**Equity.** Growth is necessary but not sufficient for development. Asia's remarkable and sustained growth has significantly reduced poverty and improved the quality of life for many Asians. However, growth that results in widening inequalities in income and wealth is not sustainable; to ensure broad-based growth, access to assets and opportunities must be widened. Equity is an essential factor in transforming growth to development and for addressing problems of poverty in the region. Achieving gender equity is perhaps the greatest challenge, thus ensuring that 50 percent of the population has an equal say and status in development.

**Physical and Social Infrastructure.** Responding to underdevelopment and poverty in the region requires addressing old issues, sometimes in new forms. At ADB's inception, a critical constraint on growth and development, and the focus of ADB's initial role and operations, was the lack of physical infrastructure. Still a significant factor in the region's development, it now includes urban and new types of infrastructure, such as information and communications technology and services. Another continuing prerequisite for sustainable development is social infrastructure, such as education and health services, evolving in response to the changing demands in areas such as skills development and health delivery systems. Social support programs, as part of social infrastructure, are vital components of development, necessary to ensure inclusive and equitable development by addressing the problems of the disadvantaged.

**Governance.** New issues have also emerged, the development roles of which were not sufficiently recognized earlier. Effective governance is now generally accepted as a fundamental requirement in the development process, essential for sustainable and equitable growth and for poverty reduction. The concept of governance covers a range of issues relating to the capacity of government, at all levels, to formulate and implement efficient, effective, and equitable policies, programs, projects, and services. It includes corporate governance: the need for appropriate institutional, legal, and regulatory frameworks for efficient markets and for the management of enterprises. Governance also reflects the need for effective participation by individuals, groups, and communities in decisions that affect their lives and interests, a key condition for sustainable and inclusive development.

**Environmental Management.** The effective management of the region's physical resources is a critical factor in Asia's development. Asia's amazing growth was accompanied by resource depletion and environmental degradation. In economies that were not able to generate sustained growth, the unmanaged depletion of natural resources was often seen as the key source of income generation, leading to significant deterioration of the environment and the quality of life, and limiting future development options. As industrialization accelerates and expands, competing demands on the environment and the natural resource base will be even greater. If robust growth is to be achieved, the environment must be preserved, remaining resources protected, and ecological degradation reversed.

**Urbanization.** The extensive urbanization that has resulted from the region's rapid growth, growing population, and increased rural-urban migration will continue to accelerate. In another two decades, almost half of the region's population will be

urban. Urbanization in Asia has increased the number of megacities and has resulted in heavily congested and polluted urban centers; living conditions and quality of life are deteriorating for large numbers of residents, especially for the poor and for disadvantaged groups in cities, whose numbers grow with increasing urbanization. Coping with urbanization will pose a major challenge for the region in the next 15 years.

**Demographic Shifts.** Demographic trends have important implications for all aspects of development in the region. As a whole, the developing Asia and Pacific region, with a population of 3.2 billion, is still experiencing high population growth, but it is beginning its demographic transition. At present children and youth (18 years or under) comprise 40 percent of the population, but by 2015, they are expected to represent only 34 percent. At the same time, there will be a progressive increase in the elderly. While aggregate statistics should be read with care, given the impact of large countries such as the People's Republic of China and India, a key issue is that the proportion of young in the region will remain high in the next 15 years. This has important implications for social services such as education, health, and child protection, and for labor market policies: growth will have to create sufficient economic activity to employ productively the large numbers of new entrants into the labor market.

**Financing Development.** Financing development remains a critical issue in Asia. The remarkable transformation of the region's economies has been driven to a large extent by private investment, both domestic and foreign. The private sector has had an essential role to play in the development process, and this role is expanding in scale and importance. However, outside the agriculture sector, the region's private sector resources are concentrated in a relatively small group of primarily

middle-income countries, and concentrated within these countries in a limited number of sectors, e.g., selected export industries. Therefore, the role of the private sector in financing development must be supplemented and complemented by that of government.

**Intraregional Integration.** The diverse conditions and circumstances of the countries of the region, including their levels of development, have resulted in differentiated needs in the development agenda of particular countries and groups of countries. This differentiation has important implications for the strategy and operations of all development partners in the region, including MDBs: although there are common needs and an increasingly generalized experience based on effective policies and institutions, one size may not fit all. The special needs of the transition economies and the Pacific DMCs exemplify both the diversity of conditions and the differentiated challenges of development in the region.

Further, the diversity of the economies in the region has supported the emergence of intraregional integration in the form of interdependent investment, production, and trade linkages. Integration has played an important role in Asia's transformation in the past two decades and the growth and development of the participating economies. The process of increasing integration is creating pressures for "mutual adjustment" among countries and/or regional cooperation in various forms. This has resulted in formal cooperation arrangements such as the ASEAN (Association of Southeast Asian Nations) Free Trade Area and the South Asian Association for Regional Cooperation (SAARC), and informal subregional cooperation initiatives, as in the Greater Mekong Subregion and the Indonesia-Malaysia-Thailand Growth Triangle, among others. Linkages among the countries of the region, integration, and

the corresponding need for regional cooperation are likely to intensify in the coming years.

## Development Challenges

Global and regional factors, forces, and trends shape the development of the countries of the region, and define the context for ADB's strategic agenda. Among the fundamental development challenges for the region are

- achieving development and poverty reduction, requiring growth that (i) is sustainable and inclusive, so that its benefits reach those most in need, and (ii) preserves and protects the environment;
- promoting equitable access for all, especially women, to assets and opportunities, so that all have a stake in development;
- instilling good governance, to ensure an effective role for government in the development process, including providing the institutional framework for markets and for wide participation in the development process;
- mobilizing private sector resources to provide the necessary financing for development and to enable market forces to support the development process;
- promoting regional cooperation and integration to address shared opportunities and constraints; and
- addressing the issues of environmental sustainability and reversing the effects of past environmental mismanagement.

### POVERTY REDUCTION AND DEVELOPMENT

Robust, sustained economic growth is essential for significant gains in poverty reduction, for addressing the diverse problems of underdevelopment in the region, and more generally for improvements

in the quality of life. Given the diversity of conditions, the required per capita growth rates will vary among different subregions and countries, but in each case they will have to be robust enough to address the particular problems of underdevelopment and poverty and to meet the international development goals: an estimated 3.5–4.0 percent on average in East Asia and 5 to 6 percent on average in South Asia.

Building and upgrading the physical and social infrastructure throughout the region is a necessary condition for robust, sustained growth, requiring significant investment in the next 15 years. The investment needed to finance basic physical infrastructure alone is estimated at close to \$3 trillion during this period. Public investment will need to continue to play a key role in responding to this need, particularly in areas not likely to be attractive to the private sector. Large investments will also be required in social services such as education, health, shelter, and water supply and sanitation, especially in the poorer countries. In the case of education, basic coverage is likely to remain a continuing problem in some DMCs in the decade ahead; at the same time, the challenges of globalization and associated information and communications technology will call for both major improvements and changes in education systems and curricula throughout the region.

### THE CHALLENGES OF EQUITY IN DEVELOPMENT

As economies develop and evolve, not all groups participate and share equally in the benefits of development: some groups are left behind or marginalized, such as the poor, the aged, and the otherwise disadvantaged. The scale of the challenge is reflected in the continuing weak social indicators in many countries, particularly for women, who constitute a disproportionate share of the poor, and whose condition is reflected

in indicators such as access to social services, assets and opportunities; and infant and maternal mortality rates.

In order to address pervasive problems of poverty in the region, the benefits of development will have to reach all the key groups that make up the poor. The success of development is, to a large extent, measured by how effectively it meets the emerging needs of the marginalized and disadvantaged. This success is also contingent on the ability of a society to maintain the social consensus during the development process, when economic growth necessarily impacts unevenly on different social groups. A fundamental challenge to the countries of the region is to establish effective programs of social support to address the needs of the marginalized in society to ensure equity—especially gender equity—in development and the social cohesion necessary for continued growth.

For inclusive development, governance has to be strengthened: in particular, participatory processes to involve stakeholders in the decision-making process need to be developed. The growing trend toward decentralization and devolution in the region is a step in this direction, but needs to be further strengthened by building the capacity for participation at the local community level.

#### THE NEED FOR STRENGTHENING GOVERNANCE

A core challenge for the countries of the region is to improve governance to support the development process. The challenges of governance relate to a wide range of issues, such as the need for

- more efficient and effective government through improvements in core government functions and public sector management;
- effective and equitable rules and regulations, including those governing the operation of markets and enterprises

and the mobilization of private sector resources;

- stronger capacity at subnational levels, including local communities and institutions; and
- improved conditions for wider and more effective participation in decision making, including decision making by civil society.

The Asian crisis underscored the dangers of poor governance in both the public and private sectors, and highlighted the importance of the role of effective governance in economies that achieved historically unprecedented high rates of growth. At the same time, economies with less enviable records were often inhibited in their development by poor governance that limited the efficiency of public investment and the potential contribution of the private sector.

A key challenge of governance is to strengthen capacity at subnational levels, including provinces, states, urban areas, and local communities where most stakeholders in development live and where development, especially poverty reduction, actually takes place. Improving governance at the subnational level is essential to increase the efficiency and effectiveness of public investment, including the provision of physical and social infrastructure services to the poor, and to promote inclusive development. The key challenges at the subnational level include strengthening the capacity of local institutions to contribute to the development process, and increasing the opportunities and capacities of a wide range of stakeholders to participate in this process.

#### MOBILIZING PRIVATE SECTOR RESOURCES FOR DEVELOPMENT

Mobilizing private sector resources for development is essential at a time when governments in the region are faced with an increasingly complex development agenda,

and the resources available to them are ever more thinly stretched. However, in many countries of the region, a number of general factors constrain the effective contribution of the private sector to development. These constraints are especially severe in economies in which the private sector's role has been far more limited in the past, such as those in transition. The constraints include institutional shortcomings, such as distortions to the efficient deployment of resources; lack of sufficiently competitive markets; weaknesses in the intermediating role of financial systems for efficiently channeling savings to productive investment; weak corporate governance systems; unclear rules and regulations; information constraints; and corruption that drives up the costs and risks of doing business. Addressing these constraints on governance will be a fundamental challenge to the countries of the region in the coming decades.

In addition to addressing general constraints on the private sector, two specific challenges are of particular importance.

- Effective and innovative public-private partnerships must be developed to allow sharing of risks and costs in the development process, especially in the provision of infrastructure. Innovative public-private sector partnerships free public resources for addressing key poverty-related issues, and help channel the resourcefulness and flexibility of the private sector to the development process.
- The domestic private sector in the region must be strengthened, including in particular the small and medium-sized enterprises that are a major source of employment and income, to anchor development more firmly in domestic capacity and promote wider participation.

Increasing the capacity of governments and enterprises for public-private partnerships and creating an effective environment

for developing the domestic private sectors in the region are important challenges for mobilizing private sector resources for development in Asia and the Pacific.

#### SUPPORTING REGIONAL COOPERATION AND INTEGRATION

Increasing intraregional linkages, together with the limited resources and market capacity of individual economies, create both pressures and opportunities for regional cooperation in Asia and the Pacific. Regional cooperation can provide greater opportunities for the development of the participating countries and for the region as a whole through a pooling of resources, markets, and risks to support the development process. Creating effective frameworks and mechanisms for cooperation and integration is thus a central challenge in facilitating development in the region.

Part of the challenge for regional cooperation arises because of particular shared opportunities and needs, as in the case of regional public goods involving activities with impacts that cut across borders. Examples include cross-border environmental issues; knowledge and information flows; containment of diseases such as HIV/AIDS; regional financial stability; and most fundamentally, the need for regional economic and social stability. Addressing the needs for regional public goods, including exploiting shared opportunities and responding to common problems, will be a central challenge of regional cooperation to support development in Asia and the Pacific in decades to come.

#### PROMOTING SOUND ENVIRONMENTAL MANAGEMENT

Ensuring the environmental sustainability of growth in the region's resource-based economies is essential for development and poverty reduction. Asia's spectacular growth during recent decades has exacted a heavy toll on the environment, resulting

in severe degradation and resource depletion in many parts of the region. This growth has also resulted in massive urbanization and spreading cities, which are generally ill-equipped to deal with rapidly expanding populations. Urbanization has made further demands on the increasingly fragile resource base of the region's economies. For far too long, policymakers have ignored the environmental impact of development, or attempts at regulation were ill-conceived and inadequate. Now, environmental degradation is beginning to jeopardize prospects for sustainable development throughout Asia, and reversing the effects of past environmental mismanagement will entail huge costs—estimated at \$175 billion per year in 2004, rising to about \$250 billion per year in 2025—to roll back the worst excesses and allow for sustainable development and environmental protection.

## Appendix 3.

### THE CHANGING ROLE OF THE ASIAN DEVELOPMENT BANK

**A**s the Asia and Pacific region transformed, the needs of developing member countries (DMCs) changed, and so did the conventional understanding of the development process. These changes greatly influenced the thinking of shareholders and management of the Asian Development Bank (ADB), and shaped the institution's development.

In the 1970s and 1980s, ADB was predominantly a project lender, supporting the DMCs' investment needs in agriculture, industry, and infrastructure. However, issues of sustainable, inclusive development, and quality of life became increasingly important. Over the past three decades, to address these issues and meet the new needs they entail, ADB has shifted its operations from supporting mainly economic growth and physical infrastructure to a greater emphasis on social infrastructure, the environment, and social development. ADB has thus changed from being essentially a provider of project finance to a more broad-based institution with greater emphasis on policy and institutional support.

The first two decades of ADB's experience showed that a sound policy and institutional environment was critical in ensuring the intended development impacts of its projects. This lesson was equally pertinent as the institution began venturing into complex crosscutting areas such as poverty reduction, human development, gender issues, sustainable environment management, and good governance. Thus, policy dialogue with DMCs on major sector issues in the context of project lending assumed ever greater importance. Along with seeking reforms through policy dialogue on a project-by-project basis, ADB has also, since the mid-1980s, supported wider sec-

tor policy and institutional reform. To facilitate this wider reform process, ADB complemented its project lending modality with two new modalities: program lending (instituted in the mid-1980s), and sector development programs (in the mid-1990s). Policy-based program loans are linked to the implementation of sectorwide or economy-wide policy reforms rather than to specific project activities. Sector development programs combine an investment, a policy-based loan, and technical assistance to meet sector needs more comprehensively.

Looking back at ADB's performance over the past three decades shows that overall, its development impacts have been significant. Its assistance—through concessionary funds (i.e., the Asian Development Fund) for the poorest DMCs, ordinary capital resources, and grant technical assistance—supported the development of many DMCs during a period of tremendous change in the Asia and Pacific region. ADB contributed to improved household food security despite the large increase in population, and supported the tremendous growth of energy and physical infrastructure and the expansion of the social sectors. During the past decade, ADB's public sector and expanded, in-house private sector operations have actively supported the participation of the private sector in the development process. Moreover, ADB's work in strengthening domestic financial and capital markets in the DMCs has bolstered its catalytic role in promoting the private sector. In its lending and technical assistance operations, ADB has also emerged as a major catalyst for enhanced resource transfers to DMCs through official and commercial cofinancing. Since the

early 1990s, ADB has played a leading role in the Asia and Pacific region in fostering major regional and subregional cooperation initiatives such as the Greater Mekong Subregion project.

Postevaluation results also reveal shortcomings in the institution's operations, which are not always easy to measure. Assistance for institutional capacity building has not been adequately effective, as it was often closely related to the needs of a project rather than an institution. This skewed emphasis may have had adverse effects on the sustainability of projects. In some projects, the targeting of the beneficiaries and interactions with them in the context of project preparation and implementation have not always been fully satisfactory. ADB could also have played a more effective role in providing clear and independent policy advice. Finally, and perhaps most important of all, despite many changes in the 1990s and a broadening of its mandate and goals, ADB's operations have remained essentially driven by project financing, a situation that tends to result in a lack of focus and prioritization and in some congestion of strategic goals. Hence, the institution still has some ground to cover before it can truly claim to be an adequately broad development institution with a sharp country focus.

Over the past year, ADB has taken a number of major initiatives to address some of these shortcomings, enhance its focus, and improve efficacy. Two major departures in thinking and approach include the poverty reduction strategy and the private sector development strategy. At the same time, the new resident mission policy, adopted early in 2000, is expected to lead to improved country focus in operations and a much closer relationship with DMCs.

ADB has reflected on its shortcomings, which provide a valuable guide for improving future operations. Furthermore, ADB has significant and unique strengths. The

strategic agenda reflects these strengths. First, ADB is the only development finance institution based in Asia and the Pacific, and the majority of its owners are regional members. Because of its Asian character and solely Asian experience, borrowing members regard ADB as a reliable and trusted development partner. This was demonstrated when its fast response to countries hit by the 1997 crisis helped them to protect the poor, stabilize their economies, and implement key reforms. The Asian character of ADB and its sensitivity to Asia's diverse cultural norms give it a considerable advantage in understanding the wide range of issues involving development changes in Asia and the Pacific. ADB will rely on this advantage to sharpen its analysis and understanding of poverty in its DMCs, devise approaches to eradicating it, and better define and target interventions aimed at poverty reduction.

Similarly, the trust of its DMCs enabled ADB in 1995 to become the first multilateral development bank with a Board-approved governance policy. ADB has unique experience with the importance, sensitivity, and complexity of governance issues in Asia and the Pacific. It has also learned from the varied governance experience in the region, including that derived from its regional members that no longer receive direct ADB assistance. Over the past few years, borrowing member countries have increasingly looked at ADB as a trusted and knowledgeable partner in assisting them in their governance reform agenda, which is central to the development process. Governance will also be central to ADB's strategic agenda over the next decade and a half.

The importance of the private sector, both domestic and foreign, in the development process over the next decade and a half is widely recognized. ADB has conducted public and private sector operations within a single institutional setup. It thus has a unique opportunity to play the role

of a broker between the public and private sectors in its DMCs. This is a strength that needs to be fully exploited and that forms an integral part of the strategic agenda. DMCs must be able to rely on ADB for assistance and advice on expanding the role of the private sector with appropriate safeguards in place for regulatory, financial, social, and environmental priorities. The private sector, meanwhile, should be able to rely on support from ADB in mitigating its risks.

All shareholders, and borrowing shareholders in particular, recognize ADB's efforts in promoting regional and subregional cooperation. The successful Greater Mekong Subregion initiative, started in a postconflict situation, is an important example of the dividend that can be realized when peace prevails among and within DMCs. The Pacific DMCs are also widely relying on ADB to support subregional initiatives crucial for their development, and the Central Asian republics need to rebuild and rethink regional cooperation frameworks. For all DMCs, regional cooperation and integration initiatives offer enormous possibilities for development. With its Asian character and its neutrality, ADB is considered a trusted partner. In its strategic agenda, ADB affirms this strength.

Although ADB has been responsive to environmental concerns since its creation, its involvement with environmental management increased substantially from the mid-1980s onwards. The environmental aspects of all its projects are reviewed, and ADB has assisted the DMCs in building institutions dealing with environmental concerns and policies. ADB has succeeded in placing environmental issues in the forefront of all development planning in the DMCs, and has contributed in a major way to raising regionwide awareness of environmental matters. ADB has developed a well-recognized record in dealing with the region's numerous environmental problems; it must build on that record to help DMCs realize the environmental targets of the international development goals.

From its history, experience, and regional character, ADB has much to offer to both its borrowing and nonborrowing shareholders. On this basis, ADB will affirm its role as the premier development institution in the Asia and Pacific region. However, given the challenges and limits on its resources, it cannot do so alone. ADB will further enhance its strengths, together with its borrowing and nonborrowing members, by actively seeking strategic alliances with other development partners in pursuing its strategic agenda.

## Appendix 4.

### ACTION PLAN FOR IMPLEMENTING THE STRATEGY

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Action	Date
1. Medium-term strategic frameworks (MTSFs) covering five years will be prepared. The first MTSF will be prepared in early 2001 and will cover the period 2001–2005.	Second Quarter 2001
2. The following documents will be prepared within the guidelines of the first MTSF:	
(i) country strategy and program for each developing member country,	Mid-2001
(ii) three-year rolling work plan and budget framework,	October 2001
(iii) the budget, and	December 2001
(iv) planning directions.	January 2002
This cycle will be repeated annually.	
3. The second MTSF and review of the long-term strategic framework (LTSF).	Mid–2005
4. Third MTSF and second review of the LTSF.	Mid–2010
5. LTSF review and preparation of LTSF (2016–2030).	Mid–2014

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