

**PORTUGAL****Bernardo Ivo Cruz**, Alternate Governor

Honorable President,  
Honorable Chairman and Vice-Chairs,  
Distinguished fellow Governors and Secretary of the Board of Governors,  
Esteemed Guests,  
Ladies and Gentlemen,

It is a pleasure to attend for the first time the Annual Meeting of the ADB Board of Governors, especially after two years of virtual meetings.

I would like to start by expressing my gratitude to the city of Manila and to the Government of the Philippines for the warm welcome and hospitality.

The world has changed in the last two and a half years, as a result of and in response to the multiple and cumulative shocks and crises that hit economies and affected lives. In Asia, the economic recovery faces many challenges and this has led to a review/decrease of the outlook of the growth forecasts for developing Asia.

Bearing in mind the need for a resilient post COVID-19 recovery, the adverse changes in the global economic environment and the negative impacts caused by the illegal and unprovoked aggression by the Russian Federation on Ukraine, which we strongly condemn, we urge ADB to remain responsive to Developing Member Countries' needs while keeping in mind:

- a) The need to remain committed to the Bank's objectives and mandate and not deviate from the goals established under the Strategy 2030 focusing on the quality and impact of operations, incentivizing reforms and improving lives;
- b) The importance of maintaining the financial soundness of the Bank and a robust capital adequacy framework, safeguarding the Bank's triple A rating.

We recognize that there has been increasing demand for emergency and budget support, particularly in a context of high capital utilization and declining lending headroom. This calls for budgetary discipline and a robust risk management governance.

In this context, we look forward to the discussions on the revision of the Capital Adequacy Framework and we hope that the outcome of this revision includes measures such as sovereign concentration limits and countervailing measures, automatically triggered at certain risk thresholds.

We appreciate the ADB's work on climate, and urge the entire organization to remain committed to the objective of providing a total of \$35 billion for climate change mitigation and adaptation by 2024.

We cannot overstate the importance of coordination with other development partners, whether in cofinancing to improve resilience and support beneficiary countries in their energy transition processes or in strategic discussions regarding best practices in capital adequacy and risk management. Portugal encourages the ADB to work closely with other International Financial Institutions, Development Banks and countries, to ensure an outstanding Bank performance and better development outcomes.

I would also like to highlight the results of the second annual report on gender diversity at the ADB Board. ADB continues to lag behind its peers in terms of female representation at the Board of Directors. While the Bank promotes an agenda of gender equality in all its operations, it is important that we, Governors, also keep gender diversity in the Board as a priority.

Finally, I welcome the recent launching of a new Country Partnership Strategy for Timor-Leste. It is an important contribution to the efforts of that country in overcoming its development challenges and the effects of COVID-19. It is also an important contribution to the accession processes of Timor-Leste to the World Trade Organization (WTO) and Association of Southeast Asian Nations (ASEAN), which I hope will be successfully completed in the very near future. Timor-Leste is a valuable partner in advancing the multilateral and regional agenda, such as climate change, human rights and regional peace and stability. Promoting the integration of Timor-Leste in multilateral structures is a key step to accelerate its economic development and the diversification of its economy.

Thank you.