



TURKEY

Osman S. Gundogdu, Temporary Alternate Governor

Mr. Chairman, Mr. President, Distinguished Governors,

It is my pleasure to participate in the 52nd Annual Meeting of the Asian Development Bank in Fiji. I would like to extend my sincere appreciation to the Government of Fiji and ADB for the excellent organization.

Asia continues to be at the forefront of the global economy, accounting for more than 60 percent of world growth, and is projected to grow at 5.7 percent in 2019 and 5.6 percent in 2020. Yet, there are risks that the Asian and global growth forecast are tilted to the downside, reflecting increased financial market volatility, rising trade tensions, and slowing momentum in the People's Republic of China. In addition to these short and medium-term risks, Asia faces important challenges to its long-term growth prospects such as slowdown in trade, slowing productivity growth and transition to an increasingly digitalized future.

It is very important at these times that ADB stays as a trusted and relevant partner supporting structural and systemic reforms, as well as a source of predictable and substantial long-term financing for its low-income and lower middle-income member countries. In this regard, as the main development partner in the Asia and the Pacific, we support ADB's decentralization efforts and encourage to strengthen its field presence in the region for both timely and effective project implementation through Resident Missions and Regional Hubs which will allow closer dialogue with other development partners in accordance with Strategy 2030's target of "delivering through a stronger, better, and faster ADB."

In particular, we encourage ADB to increase its focus on strengthening governance and institutional capacity, and fostering regional development and integration in the region. We also welcome ADB's commitment to increase its involvement in the education sector, especially digital literacy, technical and vocational education and training. We share the view that measures to improve education may permit digitalization to become a more important engine of growth in our member countries.

To this end, I believe that Strategy 2030 will guide ADB in the next decade through realistic and relevant approaches regarding the challenges of the region. We thank Management for its transparent and consultative approach in the finalization of the Strategy. The seven operational priorities identified in the Strategy are well in-line with the region's development needs. Now, we are looking forward to identification and setting of targets and results for the seven operational priorities, as well as development of the new Corporate Results Framework.

We also support Strategy 2030's differentiated approaches to groups of countries. Given the diversity of ADB's member countries, it would not be appropriate to pursue a "one size fits all" approach. Currently some member countries are greatly lagging in development outcomes while

some are very close to the graduation threshold. Hence, we are glad that ADB is going to consider this diversity while offering opportunities to its member countries.

We appreciate that while operations increased in 2018, the budget increase remained relatively low, and therefore supported organic capital growth which further strengthened ADB's lending capacity for lower income countries. We expect this to continue and further improve in the coming years, with efficient implementation of the Strategy 2030 and differentiated pricing.

Finally, yet importantly, as the performance of completed sovereign operations as well as private sector and country programs continue to improve, the region should have good prospects for staying at the forefront over the coming decade and beyond.

I would like to thank Mr. President and his team for a successful year in 2018. I strongly believe that ADB will continue to be a vital development partner in the region.

Thank you.