Chair’s Summary of Meeting of the Board of Directors

23 September 2020

Country Partnership Strategy: Indonesia, 2020–2024—Emerging Stronger

This document is being disclosed to the public in accordance with ADB’s Access to Information Policy.
1. The Board of Directors of the Asian Development Bank (ADB) generally endorsed the country partnership strategy (CPS), 2020–2024 for Indonesia. Directors expressed support for the CPS' strategic pathways of (i) improving well-being, (ii) accelerating economic recovery, and (iii) strengthening resilience. They welcomed the strategy’s overarching theme of helping Indonesia emerge stronger from the coronavirus disease (COVID-19) pandemic, and its relevance and responsiveness to the country’s evolving development needs and priorities.

2. Directors noted that Indonesia faces complex development challenges, including human development, lack of competitiveness, climate and disaster risk, and environmental degradation. They welcomed ADB’s focus on supporting structural reforms toward COVID-19 recovery and on building back better, including those that will boost investments and strengthen productive sectors. Directors appreciated the elevated focus on climate, disaster, and environment in the CPS.

3. Some directors expressed support for the CPS’ focus on domestic resource mobilization (DRM). Directors highlighted the importance of improving DRM to support COVID-19 response and recovery; continuing to focus on quality infrastructure; building the subnational government’s capacity in coordination with the national government; exploring innovative financing solutions on alleviating disaster risks; targeting micro, small, and medium-sized enterprises following the adverse impact of COVID-19; supporting skills development; promoting gender quality; and helping reduce regional disparity.

4. Directors expressed appreciation for the strong “One ADB” approach taken in preparing the CPS, as well as for the implementation of the country program. With respect to ADB’s value addition in the context of Indonesia’s evolving needs as an upper middle-income country, directors welcomed the synergistic integration of sovereign and nonsovereign operations, as well as the strong focus on knowledge and innovation in the CPS.

5. Considering heightened uncertainty because of COVID-19, most directors expressed support for the strategic flexibility and agility built into the CPS. Some directors emphasized the importance of long-term and programmatic sector engagement, as well as close development partner coordination. Some directors noted the importance of ADB’s operations achieving a balanced mix of modalities, while one director noted that a degree of flexibility on modalities may be necessary given heightened uncertainty. One director requested ADB to keep Board members informed of possible strategic portfolio changes as the evolving COVID-19 situation may require.