HIGHLIGHTS
of the 2013 Annual Meeting
Knowledge Sharing and Partnership Events

ADB Seminar Series
Sponsored Events
Civil Society Program
Host Country Events
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of the 2013 Annual Meeting
Knowledge Sharing and Partnership Events
Contents

Letter from The Secretary .......................................................................................................................... 3

ADB Seminar Series
Governors’ Seminar: Beyond Factory Asia: Fueling Growth in a Changing World ...................... 6
Urban Asia: Financing Livable Cities......................................................................................................... 7
Towards Developing and Implementing an
Integrated Disaster Risk Management in Asia and the Pacific ............................................................... 8
Jobs and Skills in the 21st Century ........................................................................................................... 9
Asia: The Road to Becoming a Knowledge Economy ........................................................................... 10
Global Partnership for Addressing Development Challenges in Asia and the Pacific ...................... 11
Key Challenges and Policy Implications of Industrial Diversification in Asia ........................................ 12
ADB Results Framework 2008-2012: How Did We Score? .................................................................. 13
Managing Inflation in an Era of Commodity Price Volatility ................................................................. 14
Delivering Effective Public Services ........................................................................................................ 15
Regional Cooperation and Integration in a Changing World ............................................................... 16
Progress of Myanmar’s Socio-Economic Reform ............................................................................... 17
Connecting South Asia and Southeast Asia ......................................................................................... 18
Partnership with Africa and Latin America for Inclusive Growth: Role of Developing Asia ............... 19
Mobilizing Long-Term Financing for Infrastructure ............................................................................ 20

Sponsored Events
Apps for Asia: Redesigning Development Through Technology ............................................................. 22
Asia Financing Asia: Funding Infrastructure from Within ...................................................................... 23
Collaborative Innovation .......................................................................................................................... 24
Funding India’s Infrastructure—Opportunities and Challenges .............................................................. 25
Will the Eurozone and US Economies Derail Asia Pacific’s Growth? ...................................................... 26
Financing Universal Health Coverage .................................................................................................... 2
Sustainable Project Effectiveness and Cost Recovery for Public-Private-Partnership Projects .......... 28
Financial Development in Asia ................................................................................................................ 29

Civil Society Program ............................................................................................................................... 32

Host Country Events
India Day: Next Wave of Inclusive Growth ............................................................................................. 36
Innovation for Inclusion ........................................................................................................................... 37
Indian Financial Markets: Fueling the Growth of the Indian Economy .................................................. 38
“The meeting’s theme of ‘Development through Empowerment’ provided an opportunity for stakeholders to discuss various approaches that would foster broad-based benefits and opportunities for all. The knowledge sharing and partnership events program featured distinguished speakers and generated a high level of interest and enthusiasm over a range of development and economic topics.”
Letter from The Secretary

On behalf of the Asian Development Bank, I would like to extend our sincere appreciation for your participation in the 46th Annual Meeting of the Board of Governors in Delhi, India.

The meeting was an impressive gathering of nearly five thousand participants, including finance ministers, central bankers, policy makers, business leaders, renowned academics, civil society organizations, and media.

The meeting’s theme of “Development through Empowerment” provided an opportunity for stakeholders to discuss various approaches that would foster broad-based benefits and opportunities for all. The knowledge sharing and partnership events program, through seminars and other discussions, featured distinguished speakers and generated a high level of interest and enthusiasm over a range of development and economic topics. A snapshot of the key issues and opinions emerging from these events is contained in this publication.

A new and popular feature at this year’s meeting was the Apps For Asia technology showcase, which gave participants an opportunity to experience and interact with a creative set of software solutions with a development or economic focus. We aim to continue featuring innovative ideas that benefit the development community in subsequent Annual Meetings.

Comprehensive information on knowledge sharing and partnership activities, including seminar descriptions, videos, and more can be found on ADB’s website, at www.adb.org/annual-meeting/2013/kspe

Once again, thank you for participating in the Annual Meeting and we look forward to seeing you in Astana, Kazakhstan for the 2014 Annual Meeting.

Robert L.T. Dawson
The Secretary
Asian Development Bank
ADB SEMINAR SERIES
Asia’s phenomenal growth over the past few decades has been driven by the rise of Factory Asia that has brought prosperity to the region and lifted millions out of poverty. However, the global financial crisis and uncertain growth prospects in the United States and the Eurozone have dampened demand for Asian exports. At the same time, rising wages threaten to erode the cost advantage that the region once had, managing supply chains has become more complex, and new technologies are transforming manufacturing.

The main issue discussed was how Asia can deal with the challenges to the Factory Asia model. The process of demand shifting from advanced countries to Asia has already started. This implies manufacturers will have to reorient themselves away from serving markets in advanced economies towards targeting the growing number of middle class consumers in the region. Panelists discussed how investment in education and skills training can help the region’s labor force to join modern manufacturing industries. There are concerns that the region’s education system has not equipped workers with the necessary skills for jobs in the manufacturing sector. Given the changing nature of manufacturing jobs, future workers need to have the flexibility and skills to adapt to new and more sophisticated tasks.

The panelists also discussed the need to ensure that the benefits from Factory Asia flow to all layers of society. It is important that small and medium enterprises be given the opportunity to participate in Factory Asia and be an important part of the evolving manufacturing landscape in the future. The potential of new emerging technologies such as 3-D printing to transform the manufacturing process was also the subject of discussion by the panel. The issues of how to improve working conditions and better enforce labor regulations in Asia’s factories were also posed to the panel members. Rising wage costs and the impact of an aging population on the manufacturing sector were also discussed.
Cities are accounting for a growing share of Asia’s output and population. In Asia and the Pacific the population is expected to grow from 1.9 billion in 2010 to 3.3 billion by 2050. Cities in many countries in the region generate around 80% of gross domestic product but consume 75% of the energy, and discharge 75% of the greenhouse gases. The growth of existing and new cities should imply improvements in the quality of life and better economic opportunities for their citizens. Asia’s success in improved urban management and stronger focus on developing competitive, inclusive, and green cities will hold the key for prosperity in Asia.

The seminar discussed how decentralization has generally moved forward although not always with adequate human and fiscal means. Experts discussed the challenges for building long-term urban strategies and securing investments financing the huge demand for sustainable urban infrastructure. Asia is expected to need about $8 trillion of infrastructure investments within the next decade. Therefore governments will need to partner with the private sector. For the private sector, certainty of long-term cash flow and transparent regulative frameworks providing clear responsibilities and strong government commitment are crucial.

The panelists deliberated on what is needed to strengthen local government capacity for urban management. Best practices and financing challenges from India, lessons from Yokohama using innovative urban financing solutions, as well as examples on how cities can utilize own-source revenues and funding from higher government and private sector financing (e.g., municipal bonds, public–private partnerships) were discussed.

The seminar highlighted the importance of direct partnerships with city governments and international development partners. The panelists noted the need to mobilize resources for urban infrastructure from all possible sources. The private sector has to be recognized as an important partner; its resources must be leveraged for development projects.

To increase investment in sustainable and resilient urban infrastructure, the seminar highlighted the need for (i) long-term urban development strategies; (ii) integrated socioeconomic, spatial, and investment planning; (iii) local government capacity building; (iv) clear regulatory frameworks and institutional coordination; and (v) public–private collaboration including citizen involvement.

In addition to the discussion, the preliminary summary report Regional Competitiveness of Cities in Asia and Latin America, a joint study by ADB and CAF Development Bank of Latin America was launched.
Towards Developing and Implementing an Integrated Disaster Risk Management in Asia and the Pacific

Panelists:
Ian Davis
Professor, Oxford Brookes University

Stephen Groff
Vice-President Operations 2, ADB

Kiyoshi Kodera
Vice-President, Japan International Cooperation Agency

M. Shashidhar Reddy
Vice-Chairman, National Disaster Management Authority, India

Hiroshi Watanabe
Executive Managing Director, Japan Bank for International Cooperation

Moderator:
Masahiro Kawai
Dean, ADB Institute

Seminar Coordinator:
Atsushi Masuda

This session focused on strategy and policy issues for disaster risk management in Asia and the Pacific and was based on a background issues paper jointly prepared by ADB and the ADB Institute. In his opening remarks, Stephen Groff noted that Asia and the Pacific are particularly vulnerable to natural hazards: 8 of the 10 most serious disasters since 1950 occurred in this region. He raised three main questions for the seminar: (i) how can we deal with compound disasters? (ii) how can we finance needs in disaster risk management? and (iii) how can we strengthen national and regional governance? Ian Davis introduced the highlights of the issues paper: (i) the drivers of disaster-related risk, not just the consequences of risk; (ii) the role of governments, which are at the core of disaster risk management; and (iii) actions needed to be taken by local communities.

M. Shashidhar Reddy highlighted the growing risk of compound disasters with increasing urbanization in India. He suggested that many lessons could be gained from the recent experience in Japan. As for governance, he acknowledged that reduction of disaster risk should be incorporated in development planning at various levels of government. He emphasized the need for capacity building with a particular focus on community-based self-help efforts.

Kiyoshi Kodera underscored three main factors: increasing risk literacy, reviewing risks constantly, and rebuilding structures with more resilience. He noted that the investment of $1 for disaster risk reduction might save $4–$7 of disaster recovery costs. Hiroshi Watanabe noted that different disasters require different approaches by the public and private sectors. For unexpected hazards, such as volcano eruptions and large-scale earthquakes, the public sector has to play a significant role. Meanwhile, for cyclical disasters, such as floods or drought, private financial instruments such as agriculture insurance may be more effective since total recovery costs can be mitigated by private insurance.

Masahiro Kawai concluded the session by underscoring the important roles of central and local governments in disaster risk management, and the need for coordination across various relevant ministries and agencies. In addition, he stressed that disaster risk management should be included as one of the most important national development strategies.
Jobs and Skills in the 21st Century

A panel of experts from academia, government, the International Labor Organization, and the private sector analyzed recent trends in labor markets. They discussed the policies and steps that countries need to take to generate productive and well-paying jobs, and equip their workforce with the skills that the 21st-century economy requires. Issues addressed included how technology is shaping the number and type of jobs in various sectors, which types of economic policies hold the most promise for creating good jobs, and how systems for skills development and social protection need to evolve to meet the challenges of increasingly integrated and competitive markets.

Recent international experience indicates that robust economic growth is not sufficient to guarantee rapid growth in employment opportunities, especially in the formal sector. This was in part due to rapid technological change, which was often either labor saving or required skilled workers. The panelists agreed that embracing new technologies is important as they drive productivity growth, without which it would not be possible to support the creation of good jobs. At the same time, in many sectors, productivity and workers’ earnings were improved through the adoption of relatively standard technologies that complemented the existing skill mix.

Given that the private sector continues to generate the vast majority of jobs, panelists stressed the importance of economic policies and regulatory systems that encourage entrepreneurs to enter new markets and product lines. These must be complemented with skills delivery systems that ensure the employability of the workforce and social protection systems that provide income stability for workers in an increasingly competitive and uncertain environment.
As one of the main drivers of competitiveness, knowledge is profoundly shaping patterns of economic growth and development. Acknowledging that knowledge and innovation play critical roles in enhancing productivity, policymakers and academics agree that sustaining Asia’s growth and dynamism will require knowledge-based development. Developing countries that fail to transform effectively into knowledge-based economies will fall further behind more advanced countries, widening the disparities between developed and developing economies.

The panelists deliberated on how Asia’s systems of innovation, education, information and communication technology (ICT), and the economic and institutional regime can be strengthened, while keeping in mind how they could benefit consumers at the bottom of the pyramid. A key focus of the discussions was on opportunities to link knowledge-based economies with inclusive growth. The panelists suggested that countries can use knowledge-based economic growth to avoid the middle-income trap and to become advanced developed countries. Low-income economies can use fast-spreading technologies that can serve the masses to reduce poverty, inequality and move up the value chain. Connectivity was raised as an important source of access to knowledge.

The panelists highlighted the role of government to enable investments in knowledge infrastructure, particularly for broadband connectivity. The national strategy followed by the Republic of Korea to provide a strong foundation for all the pillars of the knowledge economy—education and skills development, innovation, research and development, ICT, and a supportive economic regime—was exemplified.

The panelists emphasized the role of nonbank finance, particularly venture capital to stimulate innovation. Asia has been a rich source of frugal and ‘jugaad’ innovations - doing more with less, using flexible and ingenious solutions that fit specific markets or contexts - that should be utilized to their full potential in the inclusive and equitable approach to knowledge-based economic development. Promoting the right kind of education and skills development is seen as a crucial component of a knowledge economy. The panelists stressed the importance of affordable technology to meet the scale of needs in Asia. Using bottom-up approaches and creatively tapping technologies that have an extensive reach could be game changers for developing countries in Asia in their quest to become knowledge economies.

The discussion was based on the ADB paper *Asia: the Road to Becoming a Knowledge Economy: Game of Catch up or Game Changer?*
Global Partnership for Addressing Development Challenges in Asia and the Pacific

Increased development financing from nonofficial sources and sharing of knowledge-based solutions among developing countries challenges the conventional hypothesis of resource flows and knowledge transfer from the North to the South. While official development assistance remains vital, it is not enough to meet the evolving needs of economies in Asia and the Pacific. Leveraging aid for other forms of development assistance, including knowledge and private sector involvement, is more important than ever. This has emerged as a key theme for the Global Partnership for Effective Development Cooperation, an inclusive forum launched at the Fourth High Level Forum on Aid Effectiveness in Busan, 2011. The partnership is to ensure that development cooperation has the maximum possible impact on development results.

Ministers and policymakers from ADB’s developing members and providers of development assistance discussed ways to catalyze private sector-led investment and innovation, and promote knowledge-based solutions to achieve greater development impact. They noted that the development landscape in Asia and the Pacific is undergoing dramatic changes, with a shifting paradigm from aid to development effectiveness. Partnerships with the private sector are seen as critical for effectively addressing the tremendous development financing needs. The panel debate also focused on the role that the post-Busan Global Partnership for Effective Development Cooperation can play in enhancing these efforts. Panelists highlighted the importance of the global partnership as a unique and inclusive platform for promoting development. They noted that it could form a key instrument for addressing the development gap in the region and for implementing the post-2015 development agenda.

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Panelists:
Hon. Armida S. Alisjahbana
Alternate Governor for Indonesia in ADB; Minister of National Development Planning and Chair of BAPPENAS, Indonesia; Co-Chair of the Global Partnership for Effective Global Cooperation

Stephen P. Groff
Vice-President Operations 2, ADB

Hon. Emilia Pires
Governor for Timor-Leste in ADB; Minister of Finance, Timor-Leste

Hon. Bernie Ripoll MP
Alternate Governor for Australia in ADB; Parliamentary Secretary to the Treasurer, Australia

Moderator:
Veronica Pedrosa
Freelance Journalist, formerly with CNN and Al Jazeera

Seminar Coordinator:
Manju Senapaty
Key Challenges and Policy Implications of Industrial Diversification in Asia

In line with the overarching goal of the Asian Development Bank to eradicate poverty in Asia and the Pacific, the generation of sound and sustainable economic growth from broad-based industrialization, supported by efficient agriculture and service sectors is essential. Moreover, a robust industrial sector characterizes virtually every successful Asian economy in transforming from a traditional agriculture base to modern manufacturing and services. In contrast, many of today's developing Asian economies are experiencing a structural transformation that is either bypassing manufacturing or not particularly reliant on it. This may not be a good strategy, especially for large countries with a large labor force.

Experts discussed the key challenges regarding structural transformation for sustainable development, including (i) the critical need for a dynamic manufacturing sector for successful economic development, (ii) the role of industrial policy, and (iii) the latest thinking on the efficacy and design of industrial policy. In addition, the panel identified key job challenges under conditions of industrial diversification and/or structural transformation when the role of services expands, as well as the complementary roles of policies to promote growth and generate good jobs under different forms of transformation.

A key conclusion was the importance for policymakers to recognize that development essentially involves industrial diversification, upgrading, and deepening, along with the expansion of modern and high value-added service sectors. Focusing on the development of dynamic industries is important to achieve fast and sustained growth, and the debate on industrial policy should not change the development focus. Along this line, good economic planning should consider best practices and a country’s characteristics. Moreover, the growth process should be more inclusive to ensure that the outcomes of future growth are more fairly and equitably distributed. Previous periods of rapid growth were accompanied by increasing inequality and hence were unsustainable. Job quality and employment creation must be ensured, and can be supported through strong investments in human capital through education and training to help make the region’s economies knowledge-based capable of facilitating higher incomes and eradicating poverty.
In 2008, ADB took the pioneering step of adopting the first corporate results framework for a multilateral development bank. The framework measures ADB’s progress toward the goals of its long-term strategic framework, Strategy 2020. Since then, ADB has been measuring its performance each year against the framework’s targets to identify weak areas and devise corrective measures. ADB publishes the results of this exercise in the annual Development Effectiveness Review Report.

The seminar reviewed not only annual performance in achieving the 2012 targets of the results framework, but also how the review and framework have evolved as a management tool. A major focus was how the reform initiatives introduced since 2008 have influenced ADB performance. The seminar introduced the new results framework, which was approved in 2013 following comprehensive review and consultation. This framework will be used to measure ADB performance during 2013–2016.

The panel of senior officials from ADB’s member countries applauded ADB for its trailblazing role in results management over the last 6 years and for its commitment to accurate, transparent reporting. They confirmed that the process had driven change within ADB, created a stronger results culture, and is making a difference to performance. They urged ADB to continue with the more difficult actions that take a longer time to bear results.
Managing Inflation in an Era of Commodity Price Volatility

Inflation in Asia and the Pacific is now relatively low, but the environment in which monetary policy operates is becoming more complex. Sharp commodity price movements, for one, challenge central bankers’ efforts to achieve price stability as these relative price movements get built into inflationary expectations. Food price movements have been a particular problem for India, for example. Monetary authorities will also face spillovers from advanced economies’ low policy interest rates and quantitative easing. As investors intensify their search for yield, developing Asia will likely attract a large portion of this excess liquidity.

A panel of four policy experts joined President Nakao and Naoyuki Shinohara to explore the issue of managing inflation in the current uncertain environment. Panelists weighed the options for inflation targets, given the large share of food in Asia’s consumption bundles. They discussed the difficulty of managing capital flows and their impacts on asset prices, in light of ongoing monetary easing in the United States, the euro area, and Japan. While noting potential benefits from closer coordination of monetary policy, the panelists emphasized the difficulty in reaching a consensus on this issue given the different needs of various economies.

At some point, the unconventional monetary policies pursued by the advanced economies will come to an end. Developing Asia’s policymakers need to prepare for this eventuality. The panelists noted that the recent global crisis and monetary policy in its aftermath are largely uncharted territory. Yet, as President Nakao noted, all crises—from the end of the gold standard to the 1997 Asian financial crisis—have their unique features, which inhibit drawing parallels from past events. For developing Asia, a continued emphasis on monetary and fiscal prudence will put the region in the best position to face any eventuality.
The seminar focused on the need for greater public sector investment in human capacity development to advance inclusive growth. Particular attention was given to the education, health and sanitation, and water sectors. By building human capacity through investment in these sectors, countries in developing Asia can better achieve the ultimate objective of development, identified as empowerment and freedom to use one’s abilities.

The seminar highlighted the launch of the ADB policy report, *Empowerment and Public Service Delivery in Developing Asia and the Pacific*. The report highlights mechanisms that citizens can use to demand better state-provided services and accountability, such as freedom of information laws, participatory monitoring and evaluation, and community-driven development. The report notes that state bodies play a highly influential role in encouraging or inhibiting progress toward citizen empowerment.

The speakers identified information and communication technologies and government decentralization as means to promote improved public service delivery. Examples abound within Asia and elsewhere on how to make service providers more accountable to the population and to improve the way that essential services are delivered. However, approaches that work in one place may not work in another. More dedicated research is required to increase understanding and inform policy.
Regional Cooperation and Integration in a Changing World

Regional cooperation and integration (RCI) has played an important role in Asia’s growth and development, and will have to play a role in managing the consequences of this ascendancy going forward. To sustain regionwide economic growth, greater regional integration allowing for freer flow of trade and investment across the region is desirable. A prerequisite for this is greater and sustained regional cooperation. Continuous dialogue and cooperation, if not coordination, in macroeconomic policy should also be considered. But increasing regional integration brings with it both benefits and costs.

The discussion focused on the trade and finance dimensions of RCI, looking at impacts and challenges, as well as associated environmental consequences. Given the impasse at the World Trade Organization, the proliferation of free trade agreements in the region was not surprising. Panelists shared concerns over the impacts of the “Asian noodle bowl” of often overlapping agreements. Although a successful conclusion to the Doha Round would be optimal, the need to harmonize free trade agreements through consolidation, with a view toward eventual multilateralization, was broadly supported. Panelists noted limited progress in financial integration in the region, and highlighted various obstacles that needed to be overcome. The regional financial safety net needs to be expanded to deal with liquidity needs in times of crises. The challenge of ensuring that convergence occurs without significant increases in inequality within countries remains a daunting one, but panelists felt that RCI could play an important mitigating role. Finally, unless future growth is more environmentally sensitive, its sustainability and consequent benefits, especially to the poor, will be at risk.
Historic changes have occurred in Myanmar since the general elections in 2010. The new government, inaugurated in March 2011, has taken bold steps to solidify national reconciliation and build good governance, and embarked on wide-ranging economic and social reforms with a focus on people-centered development and the acceleration of Myanmar’s integration into the international community. Its four-stage reform agenda encompasses political, economic, public administration, and private sector development reforms. The Central Bank of Myanmar highlighted progress with the government’s reform agenda and prospects for Myanmar’s development, covering policies emphasizing agro-based industrial development and sustainable economic growth, and promoting investments for people-centered development and poverty reduction, while ensuring macroeconomic stability.

Commentators acknowledged the challenges of undertaking such a broad range of reforms simultaneously after decades of relative isolation, and the remarkable progress made especially in the past year. The seminar discussed Myanmar’s vast development potential due to its natural resources, land area, and large population, as well as its strategic geographic location, which enables Myanmar to benefit from promoting regional economic integration between South Asia, Southeast Asia, and the People’s Republic of China. At the same time, daunting challenges must be addressed, including sustaining peace through equitable sharing of the benefits of development especially among the rural population.

Myanmar has great demand for capacity building technical assistance and investment funding, especially for energy and transport infrastructure, to “catch up” with its regional neighbors. Furthermore, managing expectations will be critical, as many of the reforms are fundamental and systemic, requiring time and capacity building to ensure sustainability. Success will also require the engagement and commitment of all national stakeholders including civil society and the private sector. The private sector will be the engine of economic growth and primary source of investment. The government must continue to take the lead in coordinating the significant assistance being provided by its development partners.

Panelists:

H.E. U Win Shein
Governor for Myanmar in ADB; Union Minister of the Ministry of Finance and Revenue, Myanmar

H.E. Dr. Kan Zaw
Union Minister of the Ministry of National Planning and Economic Development, Myanmar

H.E. U Than Nyein
Governor, Central Bank of Myanmar

Stephen P. Groff
Vice-President, ADB

Anoop Singh
Director Asia & Pacific, International Monetary Fund

Moderator:

Victor Mallet
South Asia Bureau Chief, Financial Times

Seminar Coordinator:

Putu Kamayana
Connecting South Asia and Southeast Asia

The seminar was to identify issues and impediments to closer integration between South Asia and Southeast Asia, and policies to ameliorate them. The panel discussed the prospects for and potential benefits and costs of greater connectivity between the subregions, focusing on investment in transport infrastructure, energy trading, investment financing and financial development, trade facilitation, and support for national and regional policies. Better connectivity, through hard infrastructure and associated software, lies at the heart of unlocking the full benefits of closer economic ties. Moreover, the political and economic reform process in Myanmar makes land and land-sea connectivity between South and Southeast Asia possible, something that was not feasible a few years ago.

In his opening remarks, Stephen Groff noted that better connectivity between the two subregions can bring numerous benefits, including promoting the expansion of manufacturing production networks in South Asia. It also provides a basis for more inclusive growth, reduction of income gaps, and increased security in the region.

Masahiro Kawai presented a summary of Connecting South Asia and Southeast Asia: Interim Report. Key findings include identification of infrastructure projects that could ameliorate current missing links in road and rail infrastructure in Bangladesh, India, and Myanmar; potential new land–sea corridors between the two subregions; the potential for energy trading; areas of emphasis for improvements in trade facilitation; priorities for expanding financing options for infrastructure; further development and expansion of free trade agreements to reduce trade barriers; and development of regional institutions to support such projects.

The seminar’s main points include (i) while connectivity in trade and finance between the two subregions has increased, there is potential for much more; (ii) the benefits could be substantial; (iii) since benefits and costs would have asymmetrical distributions across countries, appropriate compensation mechanisms need to be developed; and (iv) the Asian Development Bank and the ADB Institute stand ready to support efforts in this area, both in conducting research and providing financial support for bankable infrastructure projects.

Panelists:
Stephen Groff
Vice-President, Operations 2, ADB
Masahiro Kawai
Dean, ADB Institute
Nisha Taneja
Professor, ICRIER (Indian Council for Research on International Economic Relations)
Hiroshi Watanabe
CEO, Executive Managing Director, Japan Bank for International Cooperation
H.E. Dr. Kan Zaw
Minister of National Planning and Economic Development, Myanmar
Moderator:
Rajat Nag
Managing Director General, ADB
Seminar Coordinator:
Peter Morgan

Download related publication:
www.adbi.org/files/2013.05.05.book.connecting.south.asia.southeast.asia.interim.report.pdf
Partnership with Africa and Latin America for Inclusive Growth: Role of Developing Asia

The Asian Development Bank is a unique regional development bank working closely on economic growth with two of the five BRICS countries (Brazil, Russian Federation, India, People’s Republic of China, and South Africa), namely the People’s Republic of China and India. Apart from these two emerging economic giants, several other Asian countries are expected to achieve upper middle-income status by 2020. This implies that sharing knowledge and expertise through south–south cooperation (SSC), particularly in the areas of infrastructure, urban development, and the social sector, can provide effective solutions to common development challenges, both within and across regions. Developing Asia has accumulated effective development practices but SSC remains largely uncharted territory with enormous potential for further exploration.

Panelists exchanged views on the possible expanded role of developing Asia as a driver of SSC and how more strategic partnerships could be forged with other regions, particularly Africa and Latin America. In his opening remarks, President Nakao highlighted that the current economic environment provides a unique opportunity for Asia and the Pacific and other regions to strengthen cooperation. The subsequent discussion focused on the need to reduce trade barriers among the regions to spur growth in interregional trade. Structural change in the manufacturing sector is also required to avoid countries getting caught in the middle-income trap. Shifting exports from commodities to intermediate and finished products would increase value added, wages, and income.

The panel identified cooperation to exchange knowledge as a crucial component of SSC. Expertise and lessons in the areas of sustainable energy and agriculture in Asia could benefit other regions. Successes in promoting inclusive growth through social programs in Latin America are highly relevant to Asia and Africa. Panelists recognized that a one-size-fits-all approach would not work, and that specific circumstances in each of the regions would need to be recognized. Multilateral organizations have an important role to play in facilitating knowledge transfer among regions.

Panelists:
Antoni Estevadeordal
Manager for Integration and Trade Sector, Inter-American Development Bank
Kapil Kapoor
Director of Strategy, African Development Bank
Naina Lal Kidwai
President, Federation of Indian Chambers of Commerce and Industry
Takehiko Nakao
President, ADB
Ana Palacio
Member, Spanish Council of State

Moderator:
Zeinab Badawi
Presenter, BBC News

Seminar Coordinator:
Kiyoshi Nakamitsu
The seminar focused on mobilizing long-term financing for infrastructure development, a topic of strong interest throughout Asia. The Asian Development Bank (ADB) estimates that the region will require about $8 trillion this decade to support infrastructure construction.

Lakshmi Venkatachalam opened the session, detailing the scale of the requirements of Asia’s infrastructure sector, and explaining ADB’s own involvement, including the recently established infrastructure bond guarantee facility in India.

Montek Singh Ahluwalia discussed the challenges India faces in meeting its enormous infrastructure needs. He emphasized the renewed efforts of the Indian government, including recent policy announcements, and underlined the critical role of the private sector.

A panel discussion, including Kittiratt Na-Ranong and representatives from private equity, debt providers, and credit-rating agencies, addressed various key topics and fielded questions from the audience.

The themes discussed included the roles of rating agencies and governments, the continuing need for multilateral development banks to finance funding gaps and provide credit enhancement, the large pools of long-term savings available to fund infrastructure construction, and the growing interest in developing Asia. The discussion also revealed that despite commonalities across Asia, variations across countries might require and yield different country-specific solutions toward bridging the infrastructure deficit.

The panel noted the need to address currency risk and to mobilize sufficient credit intermediation to ensure that money supply and infrastructure funding needs can be met. It also looked at the need to develop infrastructure bond markets for local and international investors.
SPONSORED EVENTS
Microsoft and the ADB introduced the Apps For Asia initiative at this year’s Annual Meeting. Directly aligned with the overall Annual Meeting theme of *Development through Empowerment*, the Apps For Asia program aims to bring developers and the application needs of Asia together. The program provides access to the innovative power of hundreds of software developers to create sustainable solutions for the economic, commercial, and social benefits of governments, civil society, and businesses in the region. The Apps For Asia program included a series of national developer events in Australia, India, the Republic of Korea, Malaysia, and the Philippines. Of the 100 innovative apps submitted, the top three from each country were exhibited. Among the winning entries, solutions include concepts for mobile applications that track water usage, consolidation for the most sought-after emergency services, an app that monitors medication use among tuberculosis patients, and efficient assistance for public transit users when planning travel.

Apps For Asia is an example of the type of programs implemented under the Asian Development Bank–Microsoft partnership to apply information and communication technology in support of regional development mandates. Programs like this foster innovation to help improve the lives of people across the region.

Special thanks and congratulations to the developers of the winning applications, which were exhibited in Delhi including Accelerate Desk, Blood Donors Network, Centium Software, Codetoki, DreamX, Filament, Knowledge, Grand Domain, Infosys Limited, Mapi, PathFinder, TOTS, Trinary Logic, Winjit Technologies, and X Meaning. Together, we are demonstrating how technology can be a fundamental driver in empowering underserved communities and taking positive steps toward a better tomorrow.
Asian financial systems have in recent years become less reliant on traditional sources of financing. Asian savings now feature more prominently as a source of capital in the region, with these flows increasingly being disintermediated through the region’s financial centers, rather than elsewhere. Despite these improvements, significant areas do not receive adequate funding, most notably infrastructure in India and most economies of the Association of Southeast Asian Nations (ASEAN).

This infrastructure gap is a major obstacle hindering the attainment of GDP growth rates seen in Northeast Asia. With high investment needs, the need for foreign funding, perhaps in significant proportions, seems inevitable to fill the gap. Meeting this challenge is a fundamental precondition to facilitating the region’s ongoing specialization and continued move up the value chain.

The seminar explored the extent to which this gap can be closed by intraregional flows, that is, by Asia financing Asia. It highlighted multidimensional challenges:

i. Will Northeast Asia have the necessary savings to help fund infrastructure development in India and ASEAN given its own funding needs related to rapidly aging populations and slower growth? How can Northeast Asia overcome the home bias?

ii. Given the changes to the international financial architecture, what sorts of structures and instruments are necessary to facilitate the cross-regional funding of India and ASEAN’s infrastructure development as banks exit this market?

iii. What sorts of comfort can be provided to potential investors? Are these politically feasible? What is the role of the public sector in this process?

The quality of the panelists and the insights they offered were extremely well received as evidenced by the ’standing room only’ crowd that comprised a mix of financial institutions, diplomats and government officials from the region, media and academics.

For a copy of the presentation, please email Marketing.GM@anz.com
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Panelists:
Anurag Agrawal MBBS PhD FCCP
Principal Scientist from Council for Scientific and Industrial Research (CSIR)

S. Chander
Director General, Regional and Sustainable Development Department, ADB

Paul Ellingstad
Partnership and Programs Development Director, Hewlett-Packard

Wilfried Grommen
Chief Technology Officer for European Union Institutions and United Nations, Hewlett-Packard

Gabi Zedlmayer
Vice-President, Sustainability and Social Innovation, Hewlett-Packard

Host:
Elizabeth Hernandez
Asia Pacific Japan Director of Government Relations, Hewlett-Packard

SPONSORED BY:

Collaborative Innovation

HP collaborated with ADB and Council for Scientific and Industrial Research India (CSIR India) to present a panel discussion on Collaborative Innovation. Hosted by Elizabeth Hernandez, the panel sought to demonstrate how private and public companies can drive innovation and productivity.

Paul Ellingstad opened the session by sharing a quote by founder Dave Packard, “A group of people get together and exist as an institution that we call a company, to do something worthwhile—to make a contribution to society.” HP believes that bettering society is not a job to be left to a few but a responsibility to be shared by all. As such, HP collaborates with governments, international financial institutions and non-government organizations to solve challenges related to education, global health, community, and the environment.

“Collaborative Innovation” evolved out of two distinct challenges that demanded immediate attention. India needed a functional and affordable health infrastructure that could be rapidly deployed, and a data management system to inform health policy. Although CSIR India is well-funded and well-connected with government organizations in public health, they lacked an organized implementation team. HP stepped in with an implementation team supported by corporate social responsibility funding, co-investments and an open-source environment.

Wilfried Grommen shared examples of “Collaborative Innovation” which included, i) education projects such as the HP Life program (aimed at assisting small to medium scale entrepreneurs), Lab-in-a-Box and the Educational Cloud; ii) environmental projects such as Closed Loop ink cartridges recycling, Ecopod, Moonshot servers and Green Data Centers; and iii) health projects such as Early Infant Diagnosis, Patient Safety Dashboards and Innoviative Solutions.

Anurag Agrawal spoke about the eHealth Center (eHC), a mobile health center with cloud capabilities where patients can receive proper diagnosis and treatment in remote areas and have real-time discussions online with medical experts. The project was piloted in Chausala, a village of 10,000 people in the state of Maharashtra.

S. Chander closed the discussion, stating that information and communications technology has profound impact on both micro and macro economic levels.
Funding India’s Infrastructure—Opportunities and Challenges

Asia’s third largest economy is facing its slowest annual economic growth in a decade. India needs to focus on infrastructure growth and improve its ability to mobilize funding to meet its targeted $1 trillion investment in infrastructure by 2017.

A group of highly experienced panelists including top policymakers, capital market financiers, corporates, foreign and local investors, legal professionals, and sovereign rating analysts came together to discuss how India can move to the second stage of development while addressing its challenges in financing infrastructure growth.

The discussion indicated that India remains a preferred destination for investors, despite setbacks suffered by the country in the recent past. Since 1991 when India first opened to privatization and foreign investors, the country has achieved tremendous growth while gaining enormously from the international exposure.

With global interest rates remaining low and the economic outlook uncertain, foreign investors continue to look for long-term assets, yielding good returns. Panelists concurred that India has the capacity to produce these assets to meet investors’ expectations, but at the same time it should aim to offer consistent long-term policies and enhance its accountability standards.

They emphasized that private participation should not take away the responsibility of the government at any stage of project development and that serious efforts should be made to bridge the looming infrastructure deficit.

While India has improved its efficiency for adjudication, it is taking steps to introduce innovative instruments for takeout financing. Infrastructure debt funds, credit enhancements with the help of multilateral agencies, equity takeouts, and wider investor participation from insurance companies in pension funds are some of the financing options being offered to ease the burden of funding infrastructure growth on the Indian banking system.

Panelists:
- Arundhati Bhattacharya, Managing Director and Chief Executive Officer, SBI Capital Markets
- Sharmila Chavaly, Joint Secretary, Infrastructure, Department of Economic Affairs, India
- Amit Kapur, Partner, J. Sagar Associates
- Suneet Maheshwari, Managing Director and Chief Executive Officer, L&T Infrastructure Finance Company
- Sanjay Nayar, Managing Director, KKR India
- Atsi Sheth, Vice-President and Senior Analyst, Moody’s Sovereign Risk Group
- Pradeep Singh, Vice-Chairman and Chief Executive Officer, IDFC Projects
- Lakshmi Venkatachalam, Vice-President, Private Sector and Co-financing Operations, ADB

Moderator:
- Manju Dalal, India Editor, International Financing Review Asia
Will the Eurozone and US Economies Derail Asia Pacific’s Growth?

Eurozone policymakers have controlled the crisis in the eurozone, while making some progress on the long-term agenda to bolster the monetary union. The recovery in the US seems to be on a sounder footing—monetary easing has been increased and the “fiscal cliff” proved to be less treacherous than anticipated. Panelists discussed the impact of the eurozone crisis and the improving US economic situation on the rest of the world, especially Asia.

The seminar heard that the divergence in growth performances between the US and the eurozone/United Kingdom, already palpable, is set to widen further. However, Paul Gruenwald commented that Asia’s growth dependency in recent years has shifted away from the advanced economies and toward the People’s Republic of China (PRC) and domestic demand; as a result, Asia has become more resilient to shocks from Europe and the US.

Panelists expressed some pessimism, but were also optimistic. A new government in Japan has launched a headline-grabbing and market-moving program to end deflation and spur growth. Panelists agreed that success with reflation (a fiscal or monetary policy designed to expand a country’s output and curb the effects of deflation), while far from assured, would be a game-changing macro event for the world’s third-largest economy and have widespread ramifications, mainly of a positive nature.

Meanwhile, activity in the emerging markets is favorable. The panelists discussed how the PRC, India, and other emerging markets have been the main drivers of global economic growth in the past few years. The PRC’s growth rate may have ratcheted down a notch or two as policymakers appear to be prepared to sacrifice a little short-term growth to prepare some groundwork for longer-term rebalancing. With India’s significant need for funding, especially for infrastructure projects, panelists noted that opportunities do exist for India to benefit from more investment dollars coming into the region. However, efforts need to be made to reduce policy risk and increase private sector participation. Others in the Association of Southeast Asian Nations region, like Indonesia and the Philippines, are up-and-coming economic stories, especially if investor perception continues to improve.

Panelists:
Oliver Bolitho
Chairman, Asia-Pacific, Goldman Sachs Asset Management
John Chambers
Managing Director and Chair of Global Sovereign Ratings Committee, Standard & Poor’s
Rajeev de Mello
Head of Asian Fixed Income, Schroder Investment Management
Paul Gruenwald
Managing Director and Chief Economist Asia-Pacific, Standard & Poor’s
Elena Okorochenko
Managing Director and Head of Sovereign and International Public Finance Ratings Asia Pacific, Standard & Poor’s
Paul Sheard
Executive Managing Director, Chief Global Economist and Head of Global Economics and Research, Standard & Poor’s
Anoop Singh
Director and Head of Asia & Pacific, International Monetary Fund

Moderator:
Yu Tsung Chang
Executive Managing Director and Head of Asia Pacific, Standard & Poor’s
Financing Universal Health Coverage

The panel discussed and debated issues related to providing health services for all, protection and safeguards against adverse financial consequences, tools for health financing, approaches to reach out to the poor and underserved, and partnerships with the private and nongovernment organizations.

Naresh Trehan made a strong case for government, the private sector, nongovernment organizations, and civil society to come together and evolve mechanisms to address the challenges of delivering quality health services to all citizens of the country, irrespective of their ability to pay. He highlighted the need for the convergence of schemes and programs currently being operated by different ministries, departments, and agencies, under one institutional setup for effective implementation.

Somil Nagpal spoke about the complementary nature of the National Rural Health Mission and national- and state-sponsored health insurance schemes, albeit by accident rather than by design. While the mission has led to a significant scaling up of primary service delivery, the national and state health insurance schemes have focused on making secondary and tertiary care accessible.

Hasit Joshipura noted that preventive health care is the cheapest form of intervention for achieving universal health care. Targeted interventions like immunization can go a long way to achieving better health care outcomes.

Nata Menabde reinforced the point that universal health care coverage should not be regarded as the end objective, but only as a means to ensuring better health outcomes for all. She also highlighted the fact that different countries should adopt different models of universal health care, based on their specific needs and circumstances.

Participation by the audience was robust. The panel members agreed that without a constructive partnership-based approach between government, the private sector, nongovernment organizations, and civil society, universal health coverage will continue to elude nations across the developing world.
Public–private partnership (PPP), as means for financing public infrastructure, was a strong theme during the 2013 Annual Meeting of ADB. Statements made by Governors and delegates reflected growing consensus for use of PPP as a tool for urbanization. Amidst the robust debate, delegates pointed out the challenges in realizing the potential of PPP. These include difficulties in structuring a bankable project, stakeholder acceptance, unstable revenue streams, and corruption.

Panelists at this seminar spoke of a unique interpretation of PPP—financing public projects without sovereign debt. Within the domain of trade facilitation projects, speakers shared the SGS model of applying a network charge on project user base to generate sustainable revenue streams. With the involvement of independent third parties to cultivate an environment of transparency and accountability, stakeholders could come to a consensus with an interface that's acceptable to all parties in service delivery and, in certain cases asset management, stakeholders could come to a consensus with an interface that is acceptable to all parties.

Case studies from Madagascar and Mozambique illustrate significant mitigation of political, financial, and operating risks. Government speakers from both countries spoke of an easier road towards consensus building between diverse stakeholders, surviving even conditions of political instability from 2009 to the present day.

Potential pitfalls of PPP projects encountered, but avoided, were shared by the panel, included the following:

i. Co-opt trade stakeholders into project upstream to improve chances of broad consensus.
ii. Ensure equal treatment for all users of infrastructure, and assist those who lack capacity.
iii. Mitigate corruption with fair and transparent financial incentives for adopters, focusing on long-term reward rather than short-term gain.
iv. Be pragmatic in choosing the most effective solution, which will not necessarily be the most sophisticated.
v. Look at technology as an enabler of governance, not a solution to governance.

Ms. Abhilasha Mahapatra, a PPP expert from the Indian Ministry of Finance, spoke of potential and various challenges of developing successful PPP projects in India.
Financial Development in Asia

Many Asian emerging economies are searching for capital and investment, while concurrently trying to juggle inflows with stability. To manage large investment flows, local financial systems have to be sufficiently developed to absorb any resulting volatility. In addition, the region is confronting growing inequality that is driven, in part, by technological changes, access to education, and globalization more generally. Achieving financial inclusion will play an important role in mitigating income disparities.

This session was inspired by the World Economic Forum’s Financial Development Report, which measures and analyzes factors enabling the development of financial systems in more than 60 economies around the world, and addressed three questions:

i. Are the correct institutions in place to effectively manage the transition currently taking shape in Asia and the Pacific?
ii. To what extent can financial inclusion provide new sources of well-being and growth?
iii. What are the key emerging risks across the region that need to be monitored?

The panel discussion identified that, despite a rise in capital flows, the emerging economies in the region still suffer from weak enabling environments (i.e., appropriate legal frameworks and supporting institutions), which invariably hurt investor confidence and prevent the development of much-needed nonbank financing, such as local currency bond markets.

Financial inclusion, it was argued, is important for reducing inequality in the region and, according to one panelist, “the poor are eminently bankable.” Still, considerable barriers remain, including the fact that unnecessary complexities prevent people from simply opening a bank account.

One concern about emerging threats to stability is that countries in the region are, to varying degrees, importing loose monetary policies employed by the central banks of countries such as the United States, which, in turn, could contribute to the development of asset price bubbles.

Panelists:

- Sunil Kanoria
  Vice Chairman of SREI Infrastructure Finance Ltd and Vice President of ASSOCHAM
- Rajat Nag
  Managing Director General, ADB
- Paul Gruenwald
  Managing Director & Chief Economist Asia Pacific, Standard & Poor’s

Moderator:

- Raghuram Rajan
  Chief Economic Adviser, Ministry of Finance, India
CIVIL SOCIETY PROGRAM
Civil Society Program

A wide-range of civil society organizations (CSOs) from 32 members of the Asian Development Bank attended the Civil Society Program (CSP). Of the 319 CSO representatives, the largest single grouping was from trade unions led by Global Union Federations, followed by a significant and active youth representation, Indian national nongovernment organizations (NGOs), and some advocacy-oriented organizations. Other groups included international NGOs, national and regional networks, academia, and business-supported nonprofit organizations.

As in previous years, the CSP commenced with a well-attended meeting between CSOs and ADB Management led by President Takehiko Nakao. President Nakao affirmed the importance of civil society in ADB operations and committed to intensify engagement with a focus on innovation and inclusive development. He acknowledged youth as an important stakeholder in the development of Asia and the Pacific.

The CSP included four panel discussions managed mostly by advocacy organizations on key operation and policy issues:

i. Deconstructing ADB Climate Finance
ii. Food for All—What Will It Take? An exploration of the contribution of smallholder farmers to food security and ADB’s role
iii. Pension toward Socially Responsible Investments
iv. Responsible Development Financing in Post MDG 2015

The CSP also provided an opportunity for ADB partners and other civil society groups to share and generate knowledge through events under the Learning with Partners program, which included the following sessions:

i. Can the Finance Sector Lead the Transition toward Sustainable Development?
ii. Solutions Market and Associate Exhibits: Showcasing Innovation, Partnerships, and Empowerment
iii. The Voice of Youth: A Civil Society Debate
iv. Business Solutions to Development Problems and Development Solutions to Business Problems: How Do We Make These REALLY Work for the Poor?

v. How Civil Society Empowerment Improves Governance and Development Results of Public Service Delivery.
The Solutions Market gathered representatives from corporate and civil society to showcase innovative solutions and products that have a proven social and/or environmental impact.

The annual Voice of Youth—A Civil Society Debate competition featured the top debating teams from India and the Philippines. They debated a topic inspired by this year’s Annual Meeting theme Development Through Empowerment. The University of the Philippines emerged as the debate winner.

Some of the key messages from the CSP include the following:

i. ADB needs to open up more opportunities for dialogue and consultation on policy as well as project concerns.

ii. ADB has good policies in place, particularly the Public Communications Policy and Safeguard Policy Statement. ADB should ensure that policies are effectively mainstreamed into project operations. In this regard, support from stakeholders is important to ensure their successful implementation on the ground.

iii. ADB, civil society, governments, and the private sector all have an important role to play in poverty reduction.

iv. CSOs and the private sector can benefit from continuing to share knowledge and experience on good practices and innovations in development work.

v. Youth should be empowered to actively participate in development dialogue and activities in charting the future of Asia and the Pacific.
HOST COUNTRY EVENTS
India Day: Next Wave of Inclusive Growth

Renewed optimism in India’s growth story, along with the country’s strong economic fundamentals, frugal innovation, massive demographic dividend, and calibrated opening to the international economy have positioned the country to unleash the next wave of inclusive growth. The panelists stressed that jobs and inclusion need to be allies in pushing growth, where a business environment with fair and predictable rules will unlock entrepreneurship, expand business activities, and create high-quality employment.

President Nakao and P. Chidambaram identified the importance of industrial corridors in spurring integrated urban development, and improving efficiency of production and delivery of goods and services. President Nakao singled out the Delhi–Mumbai Industrial Corridor, which is expected to raise the share of manufacturing in GDP from the current 16% to 25% by 2022 and create 100 million additional jobs. P. Chidambaram agreed with the transformational impact of the Delhi–Mumbai Industrial Corridor and noted two other corridors being developed in southern India—the Bengaluru–Mumbai Economic Corridor and the Chennai–Bengaluru Industrial Corridor. Speakers during the infrastructure session, led by Montek Singh Ahluwalia, underlined opportunities that every segment of infrastructure development presents to domestic and foreign entities, especially given India’s strong growth performance despite slack external demand and halting global recovery from the 2008 financial crisis.

As India urbanizes, it will require efficient multimodal transport systems, uninterrupted supply of power and water, good sanitation, and affordable housing. It needs to reduce postharvest losses and improve the infrastructure for high value-added agriculture and transport connectivity in rural areas.

The most fundamental challenge in infrastructure development is broadly accepted to be investment financing. India has the capacity to absorb investment of $1 trillion in the infrastructure sector during the 12th Five Year Plan (2012–2017), with the targeted share of private investment to rise from 38% to 47% during the current plan period. This can be achieved by creating a vibrant bond market, using infrastructure debt funds to refinance short-term bank debt with longer-term debt, promoting take-out financing, and introducing guarantee products for credit enhancement of infrastructure bonds. The Asian Development Bank is collaborating with India Infrastructure Finance Company to establish a partial credit guarantee facility that would boost the credit ratings of an infrastructure project and make it eligible for insurance and pension fund financing.

India’s states have increasingly become key stakeholders in the mission of inclusive growth. A panel of chief ministers and other ministers from key states across India underlined their respective government efforts to provide quality infrastructure and improve the regulatory environment. Rapid growth in the country in the past few years has provided diverse opportunities in the Indian states, with several now becoming conduits for rapid economic growth and international connectivity. State governments now actively compete for international finance, and pursue growth models that emphasize innovation and inclusive growth. This has resulted in many measures to streamline land acquisition, boost manufacturing, expand e-governance, introduce mechanisms for time-bound redressal of grievances, and emphasize the need for balanced growth with distributive justice.
Innovation has emerged as a major driver to raise living standards across the globe, especially of those at the bottom of the pyramid and thus a means to achieve inclusive growth. Today governments, industry, business, researchers, and innovators are increasing their focus on exploring the potential of innovation to drive growth through sustainable solutions to the most significant challenges facing the world we live in—food and nutrition, education, health, water and sanitation, and better access to finance.

The seminar deliberated on four main issues that need to be tackled to ensure that growth is sustainable and inclusive:

i. Burdensome regulations must be reduced to allow the private sector to be more competitive and dynamic, and create more jobs for the burgeoning workforce.

ii. Improvements in the investment climate are vital, especially if countries such as India are to realize their potential in manufacturing. Ensuring better connectivity and availability of power, and promoting new growth centers through appropriate infrastructure, including high-priority economic corridors, can facilitate these improvements.

iii. While India may have some of the world’s best managers, scientists, and engineers, a large proportion of its workforce is still unskilled or semiskilled. The introduction of the National Skills Policy marks a paradigm shift from the traditional government-led model of skills development and vocational training to one that emphasizes private sector-led skills development.

iv. Recent flooding in megacities such as Bangkok and Beijing can offer lessons to India on proper infrastructure planning and addressing the challenge of urbanization. India must adopt green urban planning early on.

In this seminar, entrepreneurs shared their experiences on how socially motivated businesses are using innovative models to provide goods and services to people at the bottom of the pyramid. They agreed that the government should be an enabler in creating an environment that allows specific challenges faced by enterprises to be addressed directly and expeditiously, particularly those relating to raising financing, regulatory and policy frameworks, and technical upgrading of units.
Indian Financial Markets: Fueling the Growth of the Indian Economy

The Confederation of Indian Industry (CII) provided consultative and logistical arrangements for the Asian Development Bank (ADB) Annual Meeting and organized the India Pavilion at the venue to showcase India’s economic growth story. The pavilion was frequented by senior officials of ADB, International Finance Corporation, International Monetary Fund, the World Bank, and other international institutions; financial investors; and decision makers. Within the India Pavilion was India Adda, the quintessential Indian venue intricately woven into the country’s social fabric for networking and bilateral meetings.

CII also organized the Indian Financial Markets: Fueling the Growth of the Indian Economy seminar in conjunction with the ADB Annual Meeting.

Since the advent of liberalization, the Indian financial market has matured and emerged as one of the fastest growing markets. In the last decade, it has exhibited strong growth driven by robust economic demand, consumption, and savings rate.

Developed financial markets provide for key macro- and microeconomic benefits including higher economic growth, higher productivity and capital growth, higher employment, wealth creation for private investors, and improved governance structures, which drive entrepreneurial behavior. Gross domestic product grows faster in economies with mature and robust financial markets. In fact, financial markets can emerge as the mode through which government can achieve inclusive growth through social and economic empowerment.

The discussions at the seminar focused on the strengths and challenges of the Indian financial market, and maintaining the pace and robustness of growth. Panelists deliberated on the following:

i. the prospects of the Indian financial market, focusing on the benefits that will accrue on investments by various investors, including foreign and domestic investors;

ii. how financial market development is taking place in major emerging markets and how India’s financial market is evolving;

iii. a fair and inclusive model of financial market development, i.e., the scope for government and the finance industry to work on a model of inclusive and sustainable financial systems, and if India could lead and provide a showcase for development financing;

iv. various segments of financial markets and showcasing their capabilities, e.g., debt market, equity market, foreign exchange market, commodities market, and banks and their linkages; and

v. internationalization of Indian finance: policy is needed that will support Indian financial institutions operating internationally (in terms of bilateral or multilateral agreements that induce Indian financial institutions to have greater opportunities in foreign markets, incentives, and related aspects). This will enable Indian financial institutions to expand the sphere of influence in regional and global markets and benefit Indian industry.

Panelists:
Arvind Mayaram
Secretary, Economic Affairs, Ministry of Finance
H. R. Khan
Deputy Governor, Reserve Bank of India
S. Gopalakrishnan
President, Confederation of Indian Industry
Jignesh Shah
Chairman, National Committee on Financial Markets, Confederation of Indian Industry
Chandrajit Banerjee
Director General, Confederation of Indian Industry
Ajit Ranade
President and Chief Economist, Aditya Birla Group
Ajay Srinivasan
Chief Executive, Financial Services, Aditya Birla Group
Joseph Massey
Managing Director and Chief Executive Officer, MCX Stock Exchange
R. K. Jha
Managing Director, Gujarat International Finance Tec-City
Manish Khera
Founder, Chief Executive Officer and Managing Director, FINO PayTech
Anjani Sinha
Managing Director and Chief Executive Officer, National Spot Exchange
Hemant Sahai
Managing Partner, HSA Advocates
About the Asian Development Bank

ADB’s vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region’s many successes, it remains home to two-thirds of the world’s poor: 1.8 billion people who live on less than $2 a day, with 903 million struggling on less than $1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.