



Adb's "Strategy 2030" In Asia Pacific

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"Linking People and Economics for Inclusive Growth" was the theme of the 51st Annual Meetings of Asian Development Bank's Board of Governors, held in Manila, last weekend. The ADB will release a new long-term strategy titled "Strategy 2030" this year to renew their commitment to eliminate poverty in Asia-Pacific region and to expand ADB's vision to achieve an inclusive, resilient and sustainable region. Around 4000 delegates from the government, academics, corporate and civil society of the member countries have attended the annual meeting.

India's Secretary in the Department of Economic Affairs (DEA) Subhash Chandra Garg led the Indian delegation to the 51st ADB Annual meeting. He welcomed the ADB's "Strategy 2030". The Press release noted the need for ADB taking into account the likely impacts of the technical advancements that are taking place owing to Artificial Intelligence to equip the member countries to reap the maximum benefits of these technological advancements. It was reiterated that ADB should continue to focus on its key areas of strength like urban infrastructure, energy, transport and disaster-management. The need to develop innovative financing instruments to cater to the specific needs and priorities of the member countries was also emphasized in the meeting.

ADB President Takehiko Nakao during the meetings emphasized that ADB Strategy 2030 will be aligned with the international agenda, including the Sustainable Development Goals (SDGs) and the Paris Agreement on climate change. ADB's Strategy 2030 will have 10 priorities: eliminate poverty and inequalities in Asia and the Pacific; accelerate progress towards gender equality; enhance environmental sustainability; build green, resilient, and inclusive cities; promote rural development and food security; strengthen governance; foster regional cooperation and integration; mobilize private sector finance, and strengthen ADB's role as a provider and facilitator of knowledge, to pursue a stronger, better, and faster ADB.

The ADB meetings have highlighted several risks including "inward-looking policies" and retreat of globalization as potential threats to the economic growth of Asian countries. However, Mr. Nakao confidently reiterated during the meetings that these challenges should be converted into opportunities as the world economic centre of gravity is shifting towards Asia and the Pacific.

The Vice-Minister of China's Finance Ministry Yu Weiping, called for innovation and inclusive development of the ADB in the Asia-Pacific region. He encouraged ADB to expand its cooperation with China's specific banks such as the Asian Infrastructure Investment Bank (AIIB) and BRICS's New Development Bank.

It has been reported that China has dominated the ADB meetings, with rise of the new Asian Infrastructure Investment Bank (AIIB). The trade war between US and China was also seen as potential threat to free trade in Asia Pacific. It is interesting to flag that US trade delegation also arrived in Manila to have parallel talks on tariff rates with China. The policy moves by China to artificially peg their currency at a new rate to make their export cheaper and benefit from world trade; their policy to revive the ancient "Silk route" and issues like China's new bank AIIB have received relatively more attention. However, ADB President Nakao clarified that the China-US trade war does not have significant impact on "sentiments of people", investors and market players in the region.



The ADB has projected that India would remain the fastest growing Asian nation with 7.3 per cent growth in 2018-19, and 7.6 per cent in 2019-20. ADB Chief Economist Yasuyuki Sawada has said that India's projected GDP growth of over 7 per cent for the current fiscal is "amazingly fast" and if this momentum is maintained, the size of the economy can double within a decade. India should focus on increasing domestic demand by reducing the income inequality, he said. As growth is driven more by domestic consumption than exports in India, domestic market policies rather than export revival strategies would be important for driving the economic growth. Mr. Sawada also said that inequality and poverty reduction would play a significant role in achieving higher economic growth. The size of India's economy is about US \$ 2.5 trillion currently, making it the sixth largest in the world. The Indian Economic Affairs Secretary Mr. Garg left a positive note in ADB meetings, when he said that India is on track to doubling the size of its economy to US \$ 5 trillion by 2025.

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