

**Insight Thursday**  
16 APRIL 2015 @ ADB K-HUB



**FAST  
AND  
CURIOUS**

*Inspiring ADB's Future*

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# Asia and ADB

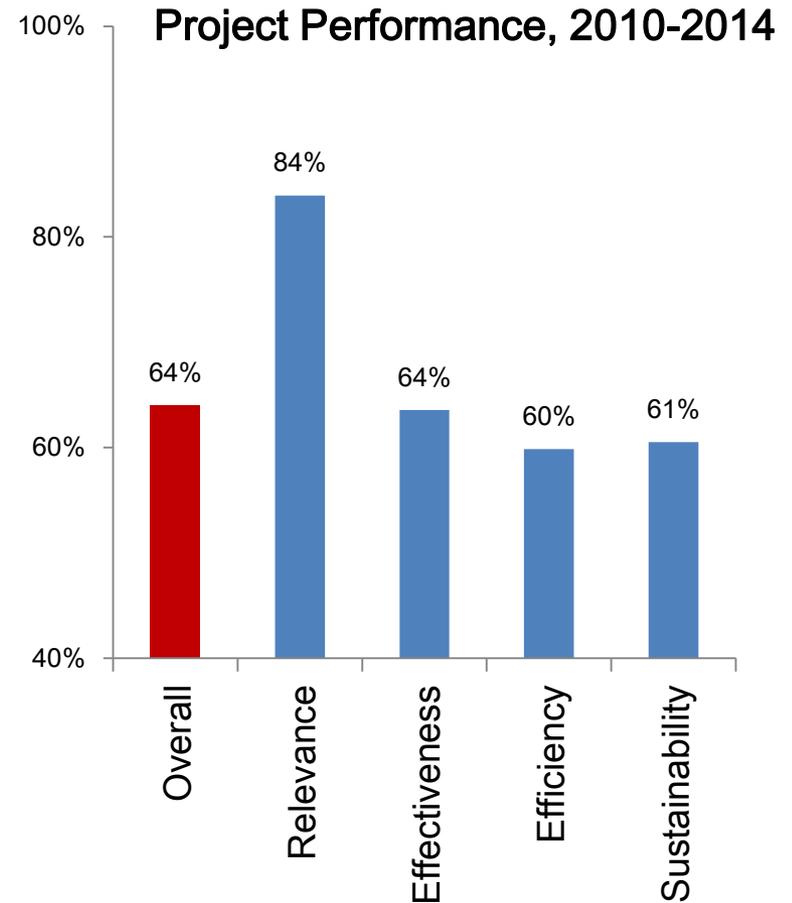
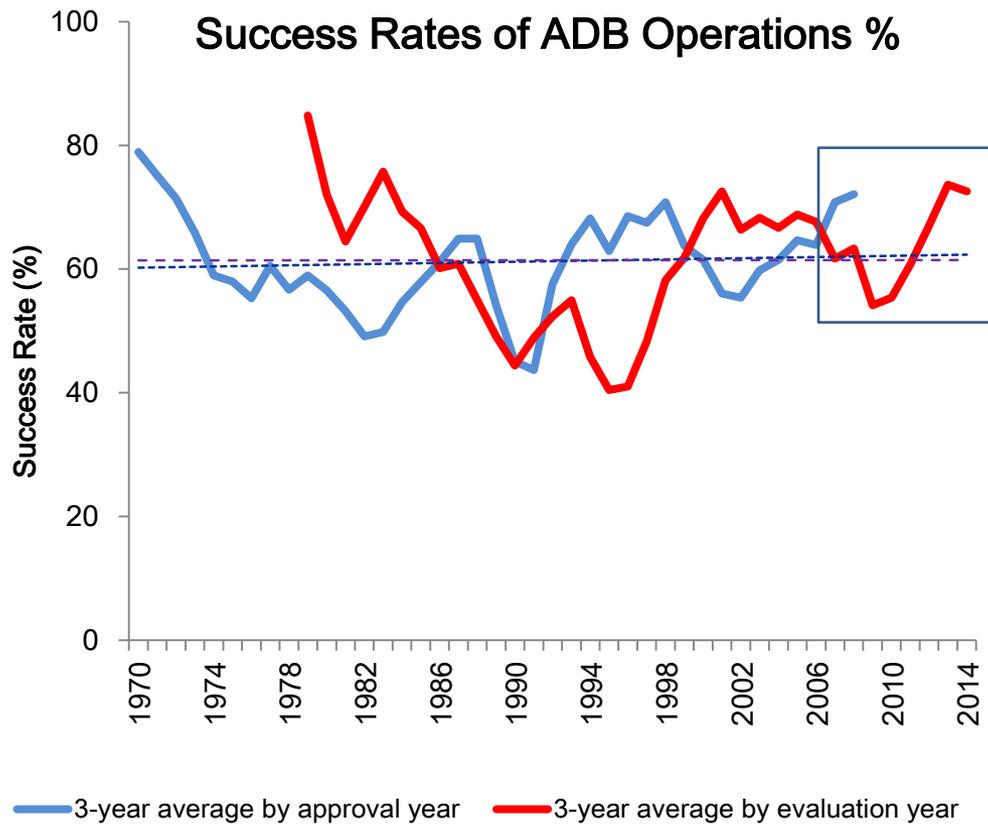


- High economic growth, fast poverty reduction
- Rising inequality, urban crisis, runaway climate change



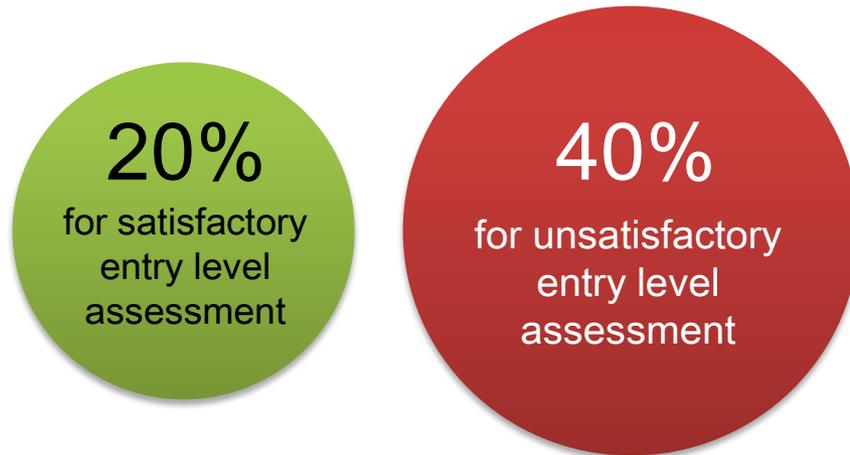
- 50-year *expertise, experience, effectiveness*
- Envisages rise in annual lending from \$14B to \$20B
- Still small share in country investments (0.22%)

# I. Recent improvement, but no clear trend



# 1. Preparation makes a difference

## Chances of unsatisfactory outcome



Source: World Bank (2007)

## Elements of Readiness

- Country circumstances
- Project design
- Stakeholder support

## 2. Content makes a bigger difference



Does success depend on sector selection? *Not really*



Is decentralization the answer? *It can help*



Is team leadership key? *Seems so*



Is implementation efficiency key? *Yes*



Is sustainability big? *Yes*

### 3. Yet, beyond efficiency—it's impact

- Improving efficiency does not equal more impact
- Cost cutting can reduce impact:  
**safeguards, due diligence, knowledge**
- MTR Action Plan rightly stresses efficiency,  
but impact too must be considered

*“This time it ain't just  
about bein' fast.”*

**FAST  
AND  
FURIOUS**



## II. A two-pronged approach

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graph TD; A[II. A two-pronged approach] --- B[Do things better]; A --- C[Do better things]
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Do things better

Do better things

# 1. Small share, but ADB can be impactful

## Clean Energy



- Lao PDR: Nam Theun Hydroelectric
- Thailand: Clean energy

## Social Progress



- Philippines: Conditional cash transfer
- Philippines: KALAHI-CIDDS Program

## Regional Solutions



- GMS, South Asia: Cross-border energy trade
- CAREC Silk Road
- Regional health crises

## 2. Past versus future: the PRC example

Period	Share of energy, transport, urban	Success rate	Share of projects with environment
1998 – 2005	93%	97%	<50%
2006 – 2013	81%	100%	>90%

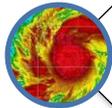
### ADB's value added

- VAT system reform
- Urban storm water management
- Water saving technologies

### Future value added?

- Fiscal reform
- Clean technology, energy efficiency
- Education: TVET

# 3. Past versus future: the climate example



Asia is hit heavily by natural disasters



Asia's 45% share in global GHG emissions



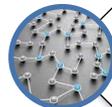
2/3 of ADB's lending are in energy and transport



Majority of ADB clients are middle income



ADB's stronger portfolio in climate investments



ADB's regional cooperation pillar



ADB's climate financing

A red sports car is shown from a high-angle perspective, driving on a wet, reflective surface. The car is moving quickly, as evidenced by the motion blur and the spray of water being kicked up behind it. The lighting is warm and golden, suggesting a sunset or sunrise. The overall mood is one of speed and elegance.

**Thank you**

*It's not how fast you drive  
it's where you're going*