
STATEMENT BY ADB GOVERNOR OF SINGAPORE, FINANCE MINISTER HENG SWEE KEAT, AT THE ADB ANNUAL MEETING, FRANKFURT, GERMANY, ON 4 MAY 2016

1 I thank the Government of Germany for hosting the 49th Annual Meeting of the Board of Governors of the Asian Development Bank (ADB) and President Takehiko Nakao for the excellent meeting arrangements.

2 When the ADB was established in 1966, Asia-Pacific was one of the poorest regions in the world. Armed with the mandate of promoting regional cooperation and fostering economic development in Asia-Pacific, the ADB has successfully supported transformational regional and sub-regional initiatives through financial and technical assistance, facilitating the advancement of the Asia-Pacific region as a significant growth engine of the world economy.

3 As the ADB celebrates its 50th anniversary, we are heartened that the ADB continues to look into ways to stay relevant in a rapidly changing Asia-Pacific region, as it formulates its forward-looking plan, Strategy 2030. I would like to suggest three priorities for the ADB to better value-add to the changing landscape.

4 First, the private sector remains the key engine of growth. To this end, the ADB could step up efforts to crowd in private sector funding. Involving the private sector not only draws in the necessary funds, it also serves to contribute much-valued market expertise and financial discipline to managing infrastructure projects. At the same time, we should continue to invest in the private sector and promote greater non-sovereign operations transactions. This will enable companies to play a central role in economic development, create jobs and reduce poverty. In this regard, private sector operations will gain increasing importance, and the ADB will need to ensure that it optimises its resources and operating model, to ensure its effectiveness in this area.

5 Second, it is important to balance rapid urbanization and sustainability. As a large majority of the ADB's member countries enters their next phase of economic and social development, the ADB would need to strengthen its focus on providing sustainable urban solutions to help these countries meet future needs and aspirations. The ADB has, very early on, recognised the need to strengthen the capabilities of policymakers in the region to cope with urbanisation. As the rate of urbanisation increases, there will be greater pressure on housing and transport systems, and a greater need to deal with urban problems such as pollution and public health emergencies.

6 In this regard, we encourage the ADB, as well as research centres and academic institutions, to develop innovative and sustainable solutions to urban problems and to share this knowledge in the region. For instance, the Centre for Liveable Cities (CLC) in Singapore conducts research on urban systems, covering aspects such as water, transport, housing, and integrated master planning, and would be keen to share this knowledge with the ADB and its member countries.

7 Third, sustainable financing for these solutions is equally critical. ADB's inaugural issuance of a green bond is an excellent start to promote the adoption of sustainable financing in Asia. The proceeds of the bond are channelled towards projects that take into account climate change considerations relating to water, energy, transport and other urban infrastructure. To promote greater take-up of green financing, we could work towards establishing a common green bond framework in the region. Developing a common set of principles and policies would lower compliance costs of issuing green bonds and increase participation.

8 Singapore has built a strong working relationship with ADB since its establishment. We remain committed to working with the ADB and member countries to make impactful and positive contributions in the Asia-Pacific region to build better lives for our people.

9 Thank you.