FRANKFURT
2–5 MAY 2016

COOPERATING FOR SUSTAINABILITY

HIGHLIGHTS
ADB ANNUAL MEETING GERMANY 2016

49TH ANNUAL MEETING OF THE BOARD OF GOVERNORS

ASIAN DEVELOPMENT BANK

The Federal Government

50 YEARS

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Contents

"In order to realize their full growth potential, Asian countries must maintain sound macroeconomic policies; invest more in infrastructure, human capital, and technology; develop efficient financial markets; and improve the investment climate."

—Takehiko Nakao, ADB President and Chair of the Board of Directors

Letter from The Secretary

"In choosing 'Cooperating for Sustainability' as the meeting's theme, Germany renewed its partnership with ADB and its members in adopting a low-carbon growth path."

Visit the 2016 Annual Meeting website to access the Summary of Proceedings, news articles, event photos, videos, and more: adb.org/annual-meeting/2016

THANK YOU FOR PARTICIPATING in the 49th Annual Meeting of Board of Governors of the the Asian Development Bank (ADB) in Frankfurt, Germany. About 3,500 participants took part in discussions about how ADB can further scale up efforts to reduce poverty in Asia and the Pacific and help achieve a more sustainable future. The 2016 meeting saw an unprecedented level of representation from both German and European leadership, among them German Chancellor Dr. Angela Merkel, European Central Bank President Mario Draghi, and former German President Horst Köhler.

Because Asia–Europe cooperation continues to be a relevant topic for our stakeholders, the 2016 seminar program held discussions on options to maximize the gains and minimize the negative spillovers from increasingly integrated macroeconomic, trade, and investment links between the two regions. Other panels discussed ways to advance climate-resilient development; explored how citizens, businesses, and city administrations can build resilient cities of the future; and examined how labor market regulations and social protection systems can ensure quality employment. This year, ADB introduced the "private sector day," a series of seminars intended to highlight its catalytic role in inclusive growth.

A panel comprised of ADB Governors discussed the need for tailoring structural reforms to address constraints to sustained growth among ADB members in the Governors' Seminar. ADB Governors also discussed the interaction between trade, technology, and good jobs, as well as Asia and the Pacific's 2030 prospects in the context of the United Nations' Sustainable Development Goals.

Civil society organizations (CSO) significantly raised the quality of development discourse. Youth representatives defined the space for civic engagement in achieving the Sustainable Development Goals. Our CSO partners examined the implementation of ADB's safeguards policy, considered the landscape of climate change finance in Asia and the Pacific, and provided suggestions on how to further engender core labor standards in ADB operations. Of course, the ADB Annual Meeting would not be complete without the traditional interaction between CSO participants and senior ADB Management on the first day.

In choosing "Cooperating for Sustainability" as the meeting's theme, Germany renewed its partnership with ADB and its members in adopting a low-carbon growth path. Germany has been in the forefront of new technologies and incentives promoting the shift to clean energy. It has made strides toward achieving inclusive growth through technical and vocational education and training support for women, and creating incentives for a more fair supply chain. Germany also introduced an interactive exhibit called the "City of Sustainability" and arranged a series of host country seminars and thematic excursions around that theme. Frankfurt 2016 is the first carbon neutral ADB Annual Meeting, which is poised to be independently certified as a sustainable event for the second year in a row.

Reinforcing their shared commitment to the sustainable development agenda, ADB and Germany signed the Frankfurt Declaration that details their cooperation on climate financing, and technical and vocational education and training. At the Frankfurt Goethe University, ADB and Germany hosted a tree-planting ceremony and inaugurated its first ever "Green Lecture Hall" made of living trees and dedicated to promoting knowledge exchange on climate change and energy use.

On behalf of ADB, I thank the Government of Germany, the German Ministry of Economic Cooperation and Development, and the City of Frankfurt for their unparalleled support for this year's meeting. It has set the stage for the commemoration of ADB's 50-year anniversary in Yokohama, Japan, in May 2017. See you there!

Woochong Um
The Secretary
Asian Development Bank

Annual Meeting Facts and Figures

Delegates (16%)
Civil society (10%)
Media (7%)
Financial institutions (19%)
Other private sector companies and federations (6%)
Science and academia (5%)
Observers (5%)
ADB personnel (5%)
Host country secretariat (1%)
Other ADB and host country guests (25%)

Taking the traditional tree-planting ceremony a step further, Germany and ADB launched the "Green Lecture Hall" at the Frankfurt Goethe University. The trees planted in the campus grounds are envisioned to become a living and thriving venue for knowledge exchange about climate change and energy use.

Photos ©Phototek/BMZ

ADB and BMZ agreed to purchase carbon credits to fully offset the emissions produced in staging the Annual Meeting. Following a third party audit of all sustainability measures undertaken by the fourth quarter of 2016, the ADB Annual Meeting is poised to be certified as a sustainable event for the second year in a row.

90 economies represented by participants

45 ADB members from Asia and the Pacific

19 nonregional members

26 nonmember economies

Baby Walter attended the ADB Annual Meeting together with his parents and made his stage debut as a representative of future generations.

Social Media Activity

3,400
#ADBFrankfurt tweets
twitter.com/ADB_HQ

OVER
178,000
Facebook users reached
facebook.com/AsianDevBank and facebook.com/BMZ.Bund

2,700
users watched the Facebook live coverage of select Annual Meeting events

Annual Meeting Word Cloud

Annual Meeting Topics

The ADB Annual Meeting focused on a number of key topics for sustainable development in Asia and the Pacific.

“We need to move from global trade without any limits or standards to a situation of fair trade as part of a fair partnership.”

—Angela Merkel,
Federal Chancellor of Germany

© Photothek/BMZ

German Development Minister Gerd Müller, ADB President Takehiko Nakao, and Federal Chancellor Angela Merkel at the Fairtrade booth in the City of Sustainability.

Clean energy and climate change

Environmentally sustainable growth is one of the three pillars of ADB’s strategy. Clean energy and climate change, including improving disaster risk resilience are crucial components of this agenda. In 2015, ADB invested $2.5 billion in clean energy projects and $3.86 billion in projects that reduced disaster risk and improved disaster resilience. To mitigate the impacts of climate change, ADB also committed to double its annual climate financing to $6 billion by 2020, and became the first multilateral development bank accredited to receive financing from the Green Climate Fund for projects to enhance climate change mitigation and adaptation among ADB developing members.

Seminars

- Innovating for Economic and Environmental Sustainability in Asia and the Pacific
- Sustainable Solutions for Micro, Small, and Medium-Sized Enterprises
- Germany's Energy Transition—A Model for Asia?
- Promoting Renewable Energies in Asia: The Quality Challenge
- Safeguarding Climate Change Finance in Asia and the Pacific
- Mobilizing Private Capital for Green Finance in Asia and in Europe
- Advancing Clean and Climate-Resilient Development in Asia and the Pacific

Sustainable supply and production chains

To reduce poverty in the region, ADB believes that economic growth should benefit the poorest and most vulnerable communities. As such, ADB supports projects that will create economic opportunities for people in rural areas, ensure access to essential health and education services to disadvantaged people, and deepen financial inclusion. ADB’s Trade Finance Program for example, works with over 200 partner banks to provide small to medium-sized enterprises with financial support they need to engage in import and export activities in the most challenging markets.

Seminars

- Quality Employment and a Better Workplace
- A Grassroots Perspective on Integrating Core Labor Standards in ADB

- 2015 ADB Private Sector–CNBC Awards and Panel on the Bottom Line and the Bottom of the Pyramid
- Promoting Decent Work in Global Value Chains: Multi-Stakeholder Initiatives and Vision Zero Fund

Technical and vocational education and training; employment

Full and gainful employment is crucial for growth to be inclusive. To this end, ADB has invested more than $586 million in 2015 for projects that broaden support for secondary education and technical and vocational education and training. ADB also ensures that its infrastructure projects provide employment to local communities.

Seminars

- 2015 ADB Private Sector–CNBC Awards and Panel on the Bottom Line and the Bottom of the Pyramid
- Quality Employment and a Better Workplace
- A Grassroots Perspective on Integrating Core Labor Standards in ADB
- Empowerment through Technical and Vocational Education and Training: Innovative Financing Approaches
- Quality Education and Skills—Enablers for Decent Work
- Promoting Decent Work in Global Value Chains: Multi-Stakeholder Initiatives and Vision Zero Fund

Cities, infrastructure, and urban development

In 2015, ADB approved more than $2 billion urban development projects, focused on expanding access to public services and improving mobility and livability. ADB's Future Cities program will engage with select cities over 15–20-years in developing planning principles that improve livability, including resilience to the impacts of climate change.

Seminars

- Moving Toward Cities of the Future—Delivered, Driven, or Demanded?
- Infrastructure-Driven Growth Model of Multilateral Development Banks in the Context of Planetary Limits
- Urban Innovations—Smart, Secure, and Sustainable Cities 2030

Information and communication technology

Access to information and communication technology (ICT) is critical in bridging the digital divide and enhancing connectivity in Asia and the Pacific. ICT innovations are also important tools to improve disaster resilience, financial inclusion, and employability of disadvantaged communities. In 2015, ADB provided a $25 million loan in the Pacific for a fiber-optic submarine cable that will deliver affordable broadband internet access to the public.

Seminars

- Inclusive and Sustainable Growth through Affordable Access and Smart Financing of Information Technology
- Role of Innovative Information and Communications Technology Solutions for Financial Inclusion

©Photothek/BMZ

ADB President Takehiko Nakao and Hans-Joachim Fuchtel, ADB Governor for Germany and Parliamentary State Secretary, Federal Ministry for Economic Cooperation and Development, Germany

The "Frankfurt Declaration" on climate action, technical and vocational education and training

ADB and the German Federal Ministry for Economic Cooperation and Development (BMZ) agreed to join forces for progress on climate action and technical and vocational education and training (TVET). The "Frankfurt Declaration" spells out the intention of ADB and Germany to launch an Asia Climate Finance Facility (ACliFF) in 2017. ACliFF will leverage public and private sector investments in climate change mitigation and adaptation in support of the goals of the COP 21 Paris Agreement. ACliFF will assist developing countries in Asia and the Pacific through new and innovative cofinancing measures, including guarantees and climate risk insurance, which will support the country-led implementation of Nationally Determined Contributions for reducing greenhouse gas emissions and for investing in resilience.

ADB and the BMZ also signed a declaration of intent to deepen and increase cooperation to promote TVET in Asia. The joint effort will strive to better match education and training with the skills that employers demand and boost workplace-based training. The aim is to foster inclusive growth including the economic empowerment of women, which is in the spirit of the women's economic empowerment initiative launched by Germany during the German G7 presidency. ADB is one of the biggest multilateral donors for vocational training in developing Asia. Among the activities planned for 2017 is a joint regional vocational training conference.

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"I believe we need a new spirit of partnership in international politics, underpinning a structural transformation of our economies and societies.... This could ultimately lead to a new global social contract between the rich and the poor, the old and the young, between today and tomorrow."

—Horst Köhler
Former President of Germany

International development, economics, and finance

For ADB to succeed in its mission, it must continue to adapt and evolve with the changing development landscape and the multiple economic challenges facing the region, including: lower global commodity prices, declining trade, reduced remittances, financial volatility, and increasing pressure on exchange rates. ADB's support for the finance sector in the region rose to more than 100% from $1.1 billion in 2014 to $2.3 billion in 2015. Operations were concentrated on money and capital markets, infrastructure and investments, with support for sound and efficient legal and regulatory frameworks for good governance.

Seminars

- Sustainable Solutions for Micro, Small, and Medium-Sized Enterprises
- 2015 ADB Private Sector–CNBC Awards and Panel on the Bottom Line and the Bottom of the Pyramid
- Asia–Europe Economic Cooperation: Fostering Greater Trade and Investment
- Space for Civil Society Engagement in the Implementation of Sustainable Development Goals: Will It Shrink or Expand?
- The Future of Financial Markets: A Changing View of Asia
- New Asian–European Approaches on Finance and Infrastructure
- Asia–Europe Macro Links: Opportunities and Spillovers
- Internationalizing Asia's Capital Markets—The Role of Governments and Multilateral Institutions in Connecting East and West
- Who Wins and Loses from Asia and the Pacific Rebalancing? A Macro-Credit Analysis
- Governors' Seminar: Structural Reforms: Pathways to Sustained Growth
- Mobilizing Private Capital for Green Finance in Asia and in Europe
- Safeguarding Climate Change Finance in Asia and the Pacific
- Role of Innovative Information and Communications Technology Solutions for Financial Inclusion

ADB administration and governance

Stronger, better, and faster—such is ADB's pledge as it commemorates its 50th year of operation. Following the midterm review of Strategy 2020, ADB has strengthened its resolve to be a leading results-based institution committed to the highest standards of environmental and social safeguards, and accountable and transparent to its shareholders and the public it serves.

Seminars

- Meeting between Civil Society Organizations and ADB Management
- Institutional Reforms to Improve Implementation of ADB's Safeguards Policy
- Procurement Opportunities in ADB-Financed Projects
- Lessons Learned on Implementing ADB's Accountability Mechanism
- How Did ADB Perform? The 2015 Scorecard
- Innovating for Economic and Environmental Sustainability in Asia and the Pacific

ADB Seminars and Institutional Events

Economic, finance, and development issues of current interest to ADB stakeholders, as well as ADB operations, business opportunities, and performance.

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"The global low interest rate environment is a symptom of challenges in the world economy, not its cause. If interest rates are to rise again to sustainably higher levels, it is those underlying causes that need to be addressed."

—Mario Draghi, European Central Bank President

Governors' Seminar
Structural Reforms: Pathways to Sustained Growth

AT THE GOVERNORS' SEMINAR, panelists discussed the role of structural reforms in driving economic growth, reducing poverty, and achieving the Sustainable Development Goals.

"While investments in infrastructure, human capital, and technology remain critical, structural reforms hold the key to boosting developing Asia's potential growth."

The post-crisis period has witnessed a slowdown in growth in both developing and developed economies. Indeed, developing Asia's growth also moderated after the crisis. While crisis-related cyclical factors are at play, a major concern is the slowdown in potential growth. A recent ADB study shows that potential growth in developing Asia moderated from 8.4% in 2007 to 6.7% in 2014—with many economies experiencing either falling labor force growth due to demographic changes, or declining labor productivity growth, or both.

While investments in infrastructure, human capital, and technology remain critical, structural reforms hold the key to boosting developing Asia's potential growth by continuing to reduce impediments to efficient resource allocation, improve technical and managerial efficiency, enhance an economy's ability to respond to shocks, and lay the foundations for greater private investment and innovation. Structural reforms that addressed specific domestic or behind-the-border constraints have been key drivers of rapid economic growth in developing Asia in recent decades. They will remain so in the years ahead.

The panelists shared experiences and recent efforts of their respective countries in scaling up reforms in trade and investment regimes, macroeconomic management and public finance, financial regulation, and public sector governance. They also highlighted the importance of tailoring the reform agenda to each country's specific needs.

Parliamentary State Secretary Michael Meister discussed reform experiences and lessons in Germany, especially since the global financial crisis. In particular, structural reforms in the welfare system and labor market helped Germany recover quickly.

Minister Jiwei Lou focused on the People's Republic of China's ongoing efforts to transform the economy and shift the growth model away from heavy reliance on manufacturing exports and investment toward domestic consumption and the services sector.

Minister Bambang P.S. Brodjonegoro highlighted the importance of the recent reduction in fuel subsidies in strengthening Indonesia's macroeconomic fundamentals and current initiatives to improve the business environment.

Minister Taro Aso talked about the progress in various areas of structural reform under the third arrow of Abenomics to revive the Japanese economy.

State Secretary Tone Skogen shared Norway's experience in adapting to a new normal where the petroleum industry is a less prominent growth engine than it has been and continued efforts in facilitating female labor force participation.

Economic Affairs Secretary Shaktikanta Das introduced India's key reform initiatives in recent years to stabilize the macroeconomic environment, promote private investment, and attract foreign direct investment.

ADB President Takehiko Nakao commended the accomplishments in implementing reforms highlighted by the other panelists and talked about how ADB will continue to support reform efforts in its developing member economies.

PANELISTS

Taro Aso, *Governor for Japan, ADB; Deputy Prime Minister, Minister of Finance, and Minister of State for Financial Services, Japan*
Bambang P.S. Brodjonegoro, *Governor for Indonesia, ADB and Minister of Finance, Indonesia*
Shaktikanta Das, *Alternate Governor for India, ADB and Department of Economic Affairs Secretary, Ministry of Finance, India*
Jiwei Lou, *Governor for the People's Republic of China (PRC), ADB and Minister of Finance, PRC*
Michael Meister, *Parliamentary State Secretary, Federal Ministry of Finance, Germany*
Takehiko Nakao, *President and Chair of the Board of Directors, ADB*
Tone Skogen, *Governor for Norway, ADB and State Secretary, Ministry of Foreign Affairs, Norway*

MODERATOR

Zeinab Badawi, *Journalist, BBC*

Asia–Europe Economic Cooperation: Fostering Greater Trade and Investment

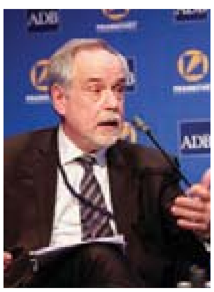
THE PANEL DISCUSSED what limits interregional trade and investment between Asia and Europe and how to remove constraints.

Vice-President Stephen Groff said reducing tariffs was the easy part of increasing market access. Now, nontariff barriers need to be removed—given the wide variance in Logistics Performance Index scores in Asia. Some panelists stressed the importance of the World Trade Organization (WTO) in objectively adjudicating multilateral rules irrespective of country size. Several others cited the stalled Doha Round as a reason to pursue interregional trade agreements. While there is a risk that multiple bilateral trade agreements will raise private sector transaction costs, they do not have to disrupt the WTO process. But they did say new trade agreements must be of high quality and must address deeper issues like intellectual property rights, services trade and better access for small and medium-sized enterprises.

An audience-participant questioned whether the Asia–Europe trade and investment was simply a means of exporting overproduction of the People's Republic of China (PRC). Vice-President Groff responded by saying that the ongoing PRC restructuring could potentially boost Asia–Europe trade and investment. Answering an audience question whether cultural issues constrained economic relations, panelists from Europe and Minister Mohammad Ishaq Dar of Pakistan countered that trade and investment were universally profit-driven.

The panel also discussed infrastructure connectivity. President Liqun Jin of the Asian Infrastructure Investment Bank said the One Belt, One Road initiative was not the PRC's alone, noting projects were needed in all participating countries. President Jin reiterated the importance of environmental and social safeguard standards and the need to cooperate with multilateral development banks like ADB for cofinancing and risk-sharing. Vice-President Groff said the enormous infrastructure financing gap necessitated cofinancing. He stressed subregional connectivity and its importance in project development, and the need for companies to tie into regional value chains as well. Other panelists agreed, citing the Association of Southeast Asian Nations (ASEAN) as an example.

Finally, panelists said that the promise of interregional digital trade means ICT connectivity and e-commerce offer Europe and Asia abundant opportunities for increasing future trade and investment.






PANELISTS

Pierre Amilhat, *Director for Asia, Central Asia, Middle East/Gulf and Pacific, Directorate General for International Cooperation and Development, European Commission*

Mohammad Ishaq Dar, *Governor for Pakistan, ADB and Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization, Pakistan*

Stephen Groff, *Vice-President for Operations 2, ADB*

Liqun Jin, *President, Asian Infrastructure Investment Bank*

Norbert Kloppenburg, *Executive Board Member, KfW; Former Senior Vice-President and Head of the Europe and Asia Department, KfW*

Kae Yanagisawa, *Vice-President, Japan International Cooperation Agency*

MODERATOR

Toby Fildes, *Editor,* Emerging Markets

"...the promise of interregional digital trade means ICT connectivity and e-commerce offer Europe and Asia abundant opportunities for increasing future trade and investment."

Quality Employment and a Better Workplace

DESPITE RAPID ECONOMIC GROWTH and dramatic reductions in extreme poverty over the last few decades, there is concern that economies in Asia and the Pacific are not generating "quality employment." This is based on evidence showing steadily rising income inequality as captured by household income and expenditure surveys, reductions in the share of aggregate value added going to labor, persistence of employment in low-paying jobs in the informal sector, and weak linkages of labor market regulations and social protection systems with different forms of employment.

In his keynote, Gerd Müller, German Federal Minister for Economic Cooperation and Development, emphasized the need to ensure transparency and the rule of law, and ecological and social standards in the global value chain. He noted the need to rethink globalization to ensure fair trade.

The panelists discussed how developing countries can address the challenges pertaining to environmental standards, social protection and wages while maintaining robust growth. One panelist noted that 40% of workers in developing countries are in the informal sector without minimum wages and 30 million workers are in "modern slavery." The panelist stressed the need to monitor core labor standards and ensure the rule of law.

Another view was that needs, wants and desires change as incomes rise. It is important to understand the different challenges confronted by developing and advanced countries. The scale of the challenges faced by developing countries is huge. The notion of quality employment is often understood in a narrow sense in advanced economies, although it is being challenged, with the emergence of the "uberization" of work. For many developing countries having "bad" jobs is a better alternative to having "no jobs." Although no consensus emerged on this topic, the discussion highlighted the very different types of challenges advanced and developing countries face.

The panelists explored how governments, businesses and trade unions can promote quality jobs and employment, and how they envisage the impact of technological changes on employment. In doing this, they noted that a number of mutually reinforcing approaches have to be undertaken jointly by governments, businesses and labor unions and civil society organizations: monitoring labor market trends and promoting research and development to reduce demand–supply mismatches, enhancing diversity in workforce including increasing the share of women, providing professional development opportunities to enhance productivity, and enhancing transparency and the rule of law in the global value chain.

KEYNOTE SPEAKER
Gerd Müller, *Federal Minister for Economic Cooperation and Development, Germany*

PANELISTS
Sharan Burrow, *General Secretary, International Trade Union Confederation*
Yasushi Kanzaki, *Vice-President, Japan International Cooperation Agency*
Nandani Lynton, *Global Head of Leadership and Excellence, Siemens*
Manish Sabharwal, *Co-Founder and Chairman of TeamLease Services Limited, India*

MODERATOR
Deborah Stokes, *Vice-President for Administration and Corporate Management, ADB*

"Forty percent of the workers in developing countries are in the informal sector without minimum wages."

The Future of Financial Markets: A Changing View of Asia

IN OPENING, European Central Bank President Mario Draghi recognized that sustained low interest rates put pressure on the financial institution/non-bank financial institution operating model and pensioners, emphasizing that rates are a symptom of the underlying cause of insufficient investment demand to absorb a global savings surplus. Short-term monetary policy tools only steer economies at the margin and are set low to encourage entrepreneurs to borrow to invest. Fiscal and structural supply side reforms are needed to improve productivity from the medium to long term to rebalance savings and investment.

The panel discussion recognized that the rate-setting of institutions such as the Federal Reserve and the European Central Bank have a big impact on investment flows into Asia. Easing provided liquidity, tightening sees capital flow back. Even Asian savings seem to follow this trend. Central Banks in Asia have not had to be as aggressive in lowering rates, so there is still scope for easing. Negativity seen in 2015 was a result of interest rate hikes in the developed markets, the possibility of a People's Republic of China hard landing, the commodity price crisis, and currency volatility. Future contagion from global economic shocks cannot be ruled out.

Panelists saw an important role for central banks in driving domestic policy and financial market reform to enable a stable and transparent investment environment, promoting local currency market development, enabling financial services provision to the poor and unbanked via licensing frameworks, and, if necessary, dampening market volatility, all of which would improve investor sentiment. Greater homogeneity between markets with respect to investment regulations and protections would help projects raise finance. Potentially, multilateral development banks have a role in bridging political risk, getting investors more comfortable in a diverse market of very different countries. Micro, small, and medium-sized enterprises, a vital economic engine, need greater access to finance, and this is something to be focused upon as Basel III makes it more expensive for commercial banks to lend to this segment.

Overall, the panel was optimistic that investment flows would return to Asia, given the positive fundamental dynamics, and the potential for yield, with the region presenting a stronger growth story than the United States or Europe.

OPENING REMARKS
Mario Draghi, *President, European Central Bank*

PANELISTS
Gunit Chadha, *CEO Asia Pacific, Deutsche Bank AG*
Diwakar Gupta, *Vice-President for Private Sector and Cofinancing Operations, ADB*
Ravi Karunanayake, *Governor for Sri Lanka, ADB and Minister of Finance and Member of Parliament, Sri Lanka*
Christiane Laibach, *Member of the Management Board, Deutsche Investitions und Entwicklungsgesellschaft mbH*
Marios Maratheftis, *Chief Economist, Standard Chartered Bank*

MODERATOR
Karen Tso, *Presenter, CNBC*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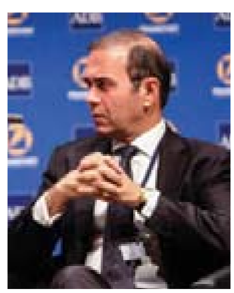

"The panel discussion recognized that the rate setting of institutions such as the Federal Reserve and the European Central Bank have a big impact on investment flows into Asia."

Moving Toward Cities of the Future—Delivered, Driven, or Demanded?

MAINTAINING VITAL ECONOMIC GROWTH, while creating livable cities for all is one of the biggest challenges in the Asia and Pacific region. The region's success in attracting financing to urban areas for developing inclusive, safe, resilient, and sustainable cities holds the key to continued and shared prosperity. The need to strengthen urban resilience will require knowledge, investment, and collaboration among all development partners, both public and private. Ensuring that citizens are not just one of the objects of urban development, but the integral subject, finding shared pathways so they can embrace their own urban complexity and discover ways forward, may be the most difficult challenge of all.

The seminar discussed some of the bold actions cities and metropolises are taking to prepare for and address rapid urbanization; and how they are weaving the balance between planning, finance, and infrastructure supply and demand from all citizens for governance, equity, and knowledge. Examples were given of how Asian and Pacific cities are harnessing smart technology, urban innovation, public communication, and knowledge-sharing as keys to short-circuiting the development cycle and providing an enabling environment for leveraging economic investment and ensuring social inclusion.

The seminar highlighted the importance of cities having a long-term vision and a comprehensive urban development strategy that are clearly linked with consistent governance, enhanced citizen participation, and diverse financing modalities including public–private partnerships. Cities that are experiencing rapid growth require a paradigm shift in urban management thinking, with particular emphasis on the need for more robust environmental and physical planning measures in order to bridge the dichotomy between economic rationality and social inclusion.

By working closely together, city administrations, citizens, and businesses have the most potential to make a city more livable, more smart and sustainable—and become a city ready for the future.

OPENING REMARKS

Hans-Joachim Fuchtel, *Chair of the Board of Governors and Governor for Germany, ADB; Parliamentary State Secretary, Federal Ministry for Economic Cooperation and Development, Germany*

KEYNOTE SPEAKER

Pedro Ortiz, *former Deputy Mayor and Central District Mayor of Madrid, Spain; former Senior Metropolitan Consultant, the World Bank; and author of* The Art of Shaping the Metropolis

PANELISTS

Peter Feldmann, *Lord Mayor of Frankfurt, Germany*
Fumiko Hayashi, *Mayor of Yokohama, Japan*
Mochamad Ridwan Kamil, *Mayor of Bandung, Indonesia*
AJM Muzammil, *Mayor of Colombo, Sri Lanka*
Losana Talei Rokotuibau, *Director of Town and Country Planning, Fiji*
Jingjing Xu, *International Advisory Group on Green and Smart Urbanization, China Development Bank Capital Corp.*

MODERATOR

Bambang Susantono, *Vice-President for Knowledge Management and Sustainable Development, ADB*

Asia–Europe Macro Links: Opportunities and Spillovers

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GLOBALIZATION has strengthened the macroeconomic links between Asia and Europe, supporting growth on both sides. Excluding intraregional trade, Asia is Europe's largest export destination and vice versa. Finance links are also robust with European banks still accounting for 25% of cross-border bank claims in Asia despite the decline following the global financial crisis. Moreover, Europe is the destination for nearly half of Asia's outward foreign direct investment. But the increased links are not without their risks. For example, a sudden shock in Europe could spill over to Asia's financial markets, or a moderate growth in the People's Republic of China (PRC) could hamper Europe's fragile recovery.

In a seminar jointly organized with the International Monetary Fund, six distinguished panelists discussed how the benefits of closer macro ties between the two regions could be maximized while containing potential negative spillovers. Local authorities maintaining sound macroeconomic policies can put a country in the best position to buffer its economy from external spillovers. International capital flow volatility from, for example, adjustments to monetary policy in the United States and the euro area has had an impact on Asia. But with Asia's policy makers having generally pursued sound fiscal and monetary policy as well as allowing greater exchange rate flexibility, the domestic impact of foreign capital movements was softened, lessening the detriment to the real economy. Regarding the PRC growth moderation, economies that can diversify away from capital goods production toward serving the rising consumer market can benefit from that economy's rebalancing.

In the end, the panel agreed that the potential boost the regions could gain from closer ties outweigh the risks. As President Nakao emphasized, even as growth is moderating in some economies, other Asian economies are enjoying continued rapid expansion. And with a rising Asian middle class, there are continued opportunities to tap from closer ties.

PANELISTS

Andreas Dombret, *Board Member, Bundesbank*
Mitsuhiro Furusawa, *Deputy Managing Director, International Monetary Fund*
Haihong Gao, *Senior Fellow and Head, Department of International Finance, Institute of World Economics and Politics, Chinese Academy of Social Sciences*
Paul Gruenwald, *Managing Director and Chief Economist, Asia-Pacific, Standard & Poor's Ratings Services*
Yves Mersch, *Member of the Executive Board, European Central Bank*
Takehiko Nakao, *President and Chair of the Board of Directors, ADB*

MODERATOR

Stefania Palma, *Asia Editor,* Financial Times' The Banker *magazine*

Joint seminar with

Advancing Clean and Climate-Resilient Development in Asia and the Pacific

ASIA IS AT A CROSSROADS: 450 million people still live on less than $1.90 per day and are highly susceptible to economic and environmental shocks. More than 60% of the region's population works in agriculture, fisheries, and forestry—the sectors most at risk from climate change. On the other hand, developing Asia's share of worldwide energy-related carbon dioxide emissions more than doubled from 17% in 1990 to 37% in 2011. Without aggressive efforts to make growth less carbon-intensive, this will be 46% by 2035, with serious consequences for the global climate.

The opening presentation highlighted the likely impacts of rising temperatures and the risk of climate "tipping points" caused by the continuing expansion of largely fossil fuel-powered economies, including in developing countries in Asia and the Pacific, which are among the most climate vulnerable in the world.

Impacts such as sea-level rise, changes in precipitation patterns, and increased strength of windstorms will disproportionally affect tropical and low-lying countries, which may threaten development gains and increase migratory pressure in the most vulnerable areas. The presentation concluded that, given its rapid economic development, the region is a part of the climate problem, but given the fact that most of the needed infrastructure in Asia and the Pacific is yet to be built, also part of its solution.

Seminar participants discussed how Asia and the Pacific could pursue its development goals while taking action to reduce vulnerability to climate change and curbing the growth of carbon emissions in line with the objectives of the Paris Agreement on climate and the Intended Nationally Determined Contributions put forward by countries.

Given the urgency of shifting developing Asia and the Pacific onto a low carbon development path, participants concluded that there was a need for broad coalitions of actors to work together for transformational systemic change, beyond individual projects, sectors, or policies which by themselves will not generate the needed impact at scale.

PRESENTER

Hans Joachim "John" Schellnhuber, *Director, Potsdam Institute for Climate Impact Research and Chair, German Advisory Council on Global Change*

PANELISTS

Preety Bhandari, *Director and Technical Advisor, Climate Change and Disaster Risk Management Division, Sustainable Development and Climate Change Department, ADB*
Romell Cuenca, *Deputy Executive Director, Climate Change Office, Climate Change Commission, Philippines*
Andie Fong Toy, *Deputy Secretary General, Economic Governance and Security Programme, Pacific Island Forum Secretariat*
Naina Lal Kidwai, *Chairman, Max Financial Services, India and Commissioner, New Climate Economy*
Caio Koch-Weser, *Vice Chairman, Deutsche Bank; Commissioner, New Climate Economy; and Chair, European Climate Foundation*
Takehiko Nakao, *President and Chair of the Board of Directors, ADB*
Karsten Sach, *Director General, Climate Policy, European and International Policy, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany*

MODERATOR

Yvo de Boer, *Director General, Global Green Growth Institute*

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Procurement Opportunities in ADB-Financed Projects

AN INSTITUTIONAL EVENT on business opportunities and the Experts Pool was conducted by Ramesh Subramaniam, Director General, Operations Services and Financial Management Department (OSFMD); Toshio Oya, Director General, Budget, Personnel and Management Systems Department; and Walter Poick, Director, Procurement Division 2 (OSP2). Over 120 consultants, contractors, suppliers, and representatives from think-tanks and nongovernment organizations and civil society organizations attended. ADB staff gave an overview on how to identify and pursue ADB business opportunities, how to bid successfully for ADB-financed projects, and how to participate in the newly established Experts Pool. This event was followed up with approximately 40 individual meetings on business opportunities by Director General, OSFMD and Director, OSP2 from 3 to 5 May.

The event was well-received by the international as well as the German business community. Feedback suggests that the content and delivery of the event were found to be useful and considered practical for consultants and suppliers. Participants noted specifically that the event offered practical advice and tips on bidding successfully for ADB-financed projects.

PANELISTS

Toshio Oya, *Director General, Budget, Personnel and Management Systems Department, ADB*
Walter Poick, *Director, Procurement Division, Operations Services and Financial Management Department, ADB*
Ramesh Subramaniam, *Director General, Operations Services and Financial Management Department, ADB*

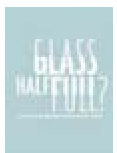
Lessons Learned on Implementing ADB's Accountability Mechanism

THE PANEL DISCUSSION on institutional event entitled "Lessons Learned on Implementing ADB's Accountability Mechanism" was held on 4 May 2016 at the 49th ADB Annual Meeting in Frankfurt, Germany. The event was attended by over 80 participants, including a large number of nongovernment organizations (NGOs) and civil society organizations (CSOs). ADB Accountability Mechanism's presentation highlighted lessons from previous cases as well as the need for effective partnering with NGOs and CSOs. The three key messages from the panel highlighted the following:

ADB Accountability Mechanism. Room for improvement is documented in the report "Glass Half Full" that assessed the accountability mechanism of 11 international financial institutions (IFIs). They acknowledged that ADB has one of the better Accountability Mechanism systems among IFIs. ADB should find ways to avoid conflict of interest with regard to its counsel. NGOs and CSOs appreciated ADB's safeguards and Accountability Mechanism efforts to be transparent and accountable to its stakeholders.

Focus on people. ADB needs to improve its formulation and implementation of remedial actions based on the findings of the compliance review by the Compliance Review Panel (CRP). The CRP reports are comprehensive but actions are delayed. Request was made for ADB to implement post action survey and measure influences or impacts for project-affected people. Audience was informed about the Independent Accountability Mechanism's plan for an Open Forum with NGOs/CSOs and Accountability Outreach at ADB in Manila, Philippines, on 6 September 2016. A meeting to discuss and design the agenda for the meeting was organized separately.

Cofinancing. With new IFIs coming with large resources in Asia, cofinancing with partners (including the private sector) with different accountability mechanisms and safeguard standards will require greater coordination. The importance of the upcoming safeguards review in 2017, in light of the current World Bank review, will require transparent and open dialogue with NGOs and CSOs. Through community consultation and institution-building, ADB needs to improve project design to make development inclusive.



Authored by 11 civil society organizations, this report calls on development banks and the governments that run them to strengthen their systems for providing remedy to those affected by activities financed by development banks.

Download from: grievancemechanisms.org/resources/brochures/glass-half-full

PANELISTS

Alfredo Abad, *Deputy Head, Complaints Mechanism, European Investment Bank*
Korinna Horta, *Senior Advisor, Urgewald*
Mario Sander, *Executive Director representing Austria, Germany, Luxembourg, Turkey, and the United Kingdom, ADB*
Jitendra Shah, *Special Project Facilitator, ADB*

MODERATOR

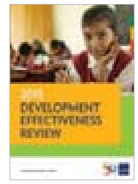
Arntraud Hartmann, *Member, Compliance Review Mechanism, ADB*

How Did ADB Perform? The 2015 Scorecard

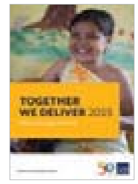
IN 2008, ADB took the pioneering step of adopting the first corporate results framework for a multilateral development bank. The framework measures ADB's progress toward the goals of its long-term strategic framework, Strategy 2020. Since then, ADB has been measuring its performance each year against the framework's targets. ADB publishes the results of this exercise in the annual *Development Effectiveness Review* (DEfR). Following the midterm review of its Strategy 2020, ADB updated the results framework in 2014. The 2015 Development Effectiveness Review is ADB's ninth annual performance report. It includes a comprehensive scorecard based on 91 results framework indicators. The results framework and DEfR are major building blocks of ADB's results management system.

The institutional event at the 49th ADB Annual Meeting presented a holistic account of ADB's performance in 2015. It outlined ADB's success, highlighted the challenges ADB faces, and described the steps ADB is taking to address the challenges. The presentation also offered a glimpse into the life-changing experiences of people across ADB's developing member countries brought about by successfully implemented operations, which are showcased in the scorecard's sister publication, Together We Deliver.

ADB's Managing Director General Juan Miranda moderated the seminar. Participants applauded ADB for its pioneering role in establishing a solid and innovative system for results management and for its transparent and frank reporting of its performance.



The Development Effectiveness Review Report tracks development progress in Asia and the Pacific and monitors ADB's effectiveness.



Fourteen stories from across Asia and the Pacific highlight successful projects that demonstrate development impact, best practices, and innovation.

Download both publications from: adb.org/documents/series/development-effectiveness-review

PRESENTER
Emma Fan, *Head of the Results Management Unit, Strategy and Policy Department, ADB*

MODERATOR
Juan Miranda, *Managing Director General, ADB*

Innovating for Economic and Environmental Sustainability in Asia and the Pacific

THE PANELISTS at Independent Evaluation's seminar debated what responses are required to respond to socioeconomic inequality, the rapid pace of urbanization and the critical challenges posed by climate change.

Evolving development context. Following more than 2 decades of unprecedented growth, governments across the Asia and Pacific region face the quandary of how to respond to diverse emerging risks undermining sustainability, such as widening income inequality, environmental degradation, runaway climate change, and uncontrolled urbanization.

The Annual Evaluation Review assesses the performance of ADB operations based on findings of recent evaluations, and draws out the priorities for ADB in the coming years.
Download from:
adb.org/documents/2016-annual-evaluation-review

Lessons from evaluations and implications for ADB going forward. To sustain progress in Asia and the Pacific, countries must vigorously promote environmentally sustainable and more inclusive economic growth.

A high economic toll is already being exacted from the rising frequency and ferocity of natural disasters in Asia, dangerous levels of air pollution, and the degradation of fresh water sources—all interlinked with climate change. In particular for the Pacific small island states, climate change represents an immediate and existential threat. Governments are increasingly incorporating disaster preparedness and climate change adaptation in national plans, but significant investments are needed to turn these good intentions into reality.

The key challenge related to urbanization will be to embrace innovative approaches to creating cities that are efficient, inclusive and sustainable. That means cities that make the best possible use of people, land, and capital, while providing equal access to opportunities and affordable services, will result in an urban quality of life commensurate with the expectations of urban dwellers.

PANELISTS
Veronika Baumgartner, *Alternative Executive Director representing Austria, Germany, Luxembourg, Turkey, and the United Kingdom, ADB*
Norbert Kloppenburg, *Executive Board Member, KfW; Former Senior Vice-President and Head of the Europe and Asia Department, KfW*
Maaita Toafa, *Minister of Finance and Economic Development and Deputy Prime Minister, Tuvalu*

MODERATOR
Hans van Rijn, *Principal Evaluation Specialist, Independent Evaluation Department, ADB*

"To sustain progress in Asia and the Pacific, countries must vigorously promote environmentally sustainable and more inclusive economic growth."

Sponsored Seminars

The role of the private sector in the development of Asia and the Pacific.

"Every investment decision needs to be part of a plan for viable sustainable development for the future, a plan that covers implementing the United Nations' Sustainable Development Goals, more equality, peace, and a fair partnership between developing countries, emerging economies, and industrialized nations."

—Gerd Müller, German Federal Minister for Economic Cooperation and Development

Sustainable Solutions for Micro, Small, and Medium-Sized Enterprises

PANELISTS DESCRIBED how the for-profit model attracts private capital to make innovative, environmentally and socially responsible businesses scalable and sustainable, compared to not-for-profit enterprises.

Access to capital remains a challenge for micro, small, and medium-sized enterprises (MSMEs), which tend to be reliant on equity and multilateral development bank (MDB) support. Domestic commercial banks find it difficult to lend to early-stage companies, applying traditional security-based lending criteria. There are many impact investors seeking to balance development and return, but they rarely provide a complete financial package.

More private equity/venture capital is needed in the region. MDBs and public agencies should focus on developing innovative risk-sharing financial solutions to help crowd capital in. Fintech start-ups may also help fill the gap.

The panel also highlighted how institutional and regulatory frameworks and transparency in individual countries are important. Such frameworks must be designed to attract investors to support MSMEs that provide innovative solutions, employment opportunities, and leadership in governance standards.

The panel discussed how technological advancements over the past 30 years have reduced capital costs significantly; and how MSMEs have proved adept at innovation and invention. The biggest impact has been on renewable generation hardware. Panelists were of the view that the next phase of advancement needs to be focused on security of supply: demand management, energy efficiency, storage, transformation, and transmission of green power. Asia presents a great opportunity to build a green energy system from scratch, given the current infrastructure deficit.

PANELISTS

R. Gurumurthy, *Head of Corporate and Institutional Banking, RBL Bank*
Hans-Dieter Kettwig, *Managing Director, ENERCON GmbH and Chairman of the Board, Aloys Wobben Stiftung*
Paul Needham, *CEO and Co-Founder, Simpa Networks*
Ingrid Spletter-Weiss, *Head, Centre of Competence, Renewable Energy, Commerzbank AG*
Sylvia Wisniwski, *Managing Director, Finance in Motion*

MODERATOR

Stefania Palma, *Asia Editor,* Financial Times' The Banker *magazine*

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COMMERZBANK

2015 ADB Private Sector–CNBC Awards and Panel on the Bottom Line and the Bottom of the Pyramid

How Innovative Business Practices Are Improving the Lives of the Poor

THE AWARDS focused on highly developmental transactions and highlighted the important work the clients of ADB's Private Sector Operations Department (PSOD) undertake in ADB's developing member countries. This was the first year for the PSOD–CNBC awards. The two awards presented were: (i) Best Project Finance or Corporate Finance Transaction for 2015, and (ii) Best Financial Sector Transaction for 2015.

The award for Best Corporate Finance Transaction went to Mountain Hazelnuts, a firm which is developing an inclusive and environmentally sustainable hazelnut value chain in Bhutan. Credo LLC, a microfinance organization based in the Republic of Georgia, received the Best Financial Sector Transaction award. Credo works to expand banking services for small businesses and farming households and improve delivery of financial services to underserved regions. The winners were chosen by an independent panel of five judges selected from ADB's Independent Evaluation Department and Office of the General Counsel, as well as Credit Suisse and Commerzbank.

The panelists discussed the concept that the triple bottom line approach—people, environmental and social impact, and profit—can be both developmental and profitable. Micro, small, and medium-sized enterprises represented in this event demonstrated many fit-for-purpose solutions to achieve both goals. Profit ensures that an enterprise is viable and sustainable on a long-term basis, attracting ongoing private financing, and removing the risk of grant-based financing.

Combined with attention to details, where data and technology often help, this enables a business to be scaled up, such that the development benefits are sustained and maximized. Since grant and publicly funded initiatives are required but are in short supply, they should be focused on providing public goods and the stimulating a viable investment environment.

The panelists highlighted that the funding cycle starts with equity—often injected by founders—followed by multilateral development banks (MDBs) and impact investors as the business develops. Founding equity invokes a disciplined approach and a desire to work with partners when problems arise. Other investors need to display patience

in early-stage companies in fragile economies where business norms are still developing. Impact investment is a growing asset class, but still developing. While not a charity, it is a private capital that requires a reasonable return, and it is important that such investors are realistic. Often, the required rate of return, conditionality, or narrow focus of available funding make this a more restrictive source of financing for early-stage enterprises. MDBs have a role to play in enabling private financing and bridging some of the gaps in private capital appetite. The role should include developing local currency funding and hedging products. Early-stage enterprises need innovative approaches and investors who are ready to take a degree of risk.

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PANELISTS

Thomas Engelhardt, *Chairman, Access Microfinance Holding AG, Berlin*
Teresa Law, *Co-Founder and CEO, Mountain Hazelnuts*
Sucharita Mukherjee, *CEO, IFMR Holdings*
Manuel Rybach, *Managing Director, Global Head of Public Affairs and Policy, and Head of Corporate Citizenship and International Relations in the Chairman's Office, Credit Suisse*

AWARDS EMCEE AND MODERATOR

Karen Tso, *Presenter, CNBC*

Media partner

CNBC

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CREDIT SUISSE

Inclusive and Sustainable Growth through Affordable Access and Smart Financing of Information Technology

MICROSOFT'S sponsored seminar sought to draw attention to the need for public and private sector capital focused on technology as infrastructure. The panel also stimulated debate about how to bring together financial intermediaries with governments and enterprises to encourage innovation and further improve affordability and access for the next billion people.

Despite significant attention and investment in making information technology and access to connectivity available to more people around the world, the digital divide remains an impediment to inclusive and sustainable growth in developing countries. Limited access to the internet, computers, and mobile phones continues to leave out large populations at the bottom of the economic scale and in rural areas.

In recent years, new disruptive technologies have become commercially available and are changing the game of technology accessibility. The proliferation of low-cost devices and maturing of dynamic spectrum access (e.g., TV White Space) have given rise to new business models that have revolutionized the economics of technology investments and made connectivity possible for more people than ever before, regardless of their income or location. In this seminar, a group of distinguished speakers representing regional and global economic development institutions discussed various investment vehicles available for small and established companies as well as the public sector, ranging from grants to loans to equity to crowd-sourced investment, and public–private partnerships. The group focused on the fiscal and policy interventions required to drive affordable access and examine the key aspects of the value chain.

PANELISTS

Bart Édes, *Director, Social Development, Governance, and Gender Division, Sustainable Development and Climate Change Department, ADB*

Alexander Hadden, *Director, Structured Finance and Insurance Department, United States Overseas Private Investment Corporation*

Juan Navas-Sabater, *Lead ICT Policy Specialist, World Bank*

Maarit Palovirta, *European Regional Affairs Manager, Internet Society*

MODERATOR

Frank McCosker, *General Manager, Affordable Access and Smart Financing, Microsoft*

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Microsoft

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Who Wins and Loses from Asia and the Pacific Rebalancing? A Macro-Credit Analysis





S&P GLOBAL RATINGS' annual luncheon seminar focused on how the rebalancing of the People's Republic of China (PRC) from a mostly investment-driven to a more consumption-driven economy could impact the rest of Asia and the Pacific from a macroeconomic and trade, as well as a credit, perspective.

In his keynote presentation, S&P Global Ratings' Asia–Pacific Chief Economist Paul Gruenwald told the 120-plus audience that the PRC cannot rebalance unilaterally, highlighting that spending changes not compensated by domestic production must be mirrored elsewhere. With the Asia and Pacific region and the PRC more deeply intertwined than ever in terms of trade, Mr. Gruenwald noted that governments need to be well-prepared to meet the challenge of responding to the changing composition of PRC growth, including by ensuring that resources are mobile enough across sectors to take advantage of new opportunities stemming from the PRC's rising middle class.

A look at sectoral credit trends showed that revenues across the region have so far responded to changes in the composition of PRC spending, and that changes in outlook biases at the sectoral level line up well with empirical results. One key takeaway was that financing will need to be redistributed across the region toward the "new growth" sectors in order to maintain credit quality.

These comments were based on findings from a recent study published by S&P Global Ratings, "How China's Rebalancing Shifts the Ground Under All of Asia–Pacific?" In this study, S&P Global Ratings economists analyzed the impact of changes in the composition of PRC growth on key financial metrics and broad credit outlooks of 22 sectors in Asia and the Pacific.

Other speakers on the panel discussed the results of the study as well as other evolving trends. In particular, sectors highlighted as being the most well-placed to take advantage from the rebalancing include leisure, health care, tourism, education, premium food, and mid- to high-end automotive; with Australia mentioned as being in the unique position to gain or lose most from the rebalancing, depending on how flexible its response is to the PRC's rebalancing.

Additional discussion points during the panel included what the rebalancing means for Europe and intercontinental fund flows. During an interactive question-and-answer session, the audience was polled on the likelihood of the rebalancing becoming disorderly, and while the audience mostly thought the likelihood is low, credit defaults would be a key trend to watch.

PANELISTS
Paul Gruenwald, *Managing Director and Chief Economist, Asia-Pacific, Standard & Poor's Ratings Services*
Heinz Hilger, *Managing Director, CEO Germany, Head of CIB Germany, Austria and Switzerland, Standard Chartered Bank*
Christopher Lee, *Managing Director, Chief Ratings Officer, Greater China, Standard & Poor's Ratings Services*
Ranobir Mukherji, *Vice Chairman, Asia Debt Capital Markets, Bank of America Merrill Lynch*

MODERATOR
Elena Okorochenko, *Managing Director, Head of South and Southeast Asia, Standard & Poor's Ratings Services*

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S&P Global Ratings

"Sectors highlighted as being the most well-placed to take advantage from the rebalancing include leisure, health care, tourism, education, premium food, and mid- to high-end automotive."

Internationalizing Asia's Capital Markets—The Role of Governments and Multilateral Institutions in Connecting East and West

THE INTERNATIONAL FINANCING REVIEW, a Thomson Reuters publication, brought together a panel of experts and a full house of over 150 ADB delegates to discuss the internationalization of Asia's capital markets.

The panelists treated the audience to an up-to-date assessment of the progress Asia has made in connecting the region's growing savings pool with long-term investment opportunities.

Delegates heard first-hand about the steps ADB, the International Finance Corporation, and the European Investment Bank have taken to deepen and develop the region's bond markets, with initiatives ranging from local currency bonds to credit-enhancement schemes and green financing—the last one an especially hot topic for this year's host city, Frankfurt.

The debate was far from one-sided, however. The head of corporate banking at India's biggest lender offered a frank summary of the challenges holding back the government's "Masala" bond initiative—an ambitious project to expand the use of the rupee overseas by allowing Indian companies to issue global bonds in their own currency. And Fitch Ratings' chief economist cast doubt on the pace of the People's Republic of China's own internationalization amid signs that politicians are focusing more on supporting the country's slowing economy than opening up its currency.

Questions from an engaged audience probed the administrative barriers and high costs, which are preventing individual investors from accessing Asia's local currency bond markets, as well as the limited progress in Islamic financing. The head of a renewable energy producer in India also shared his own experiences in trying to attract international capital.

Coming only a day after the European Central Bank President Mario Draghi addressed ADB delegates on the need for extraordinary monetary policies to address a global savings glut, the panel provided a timely discussion on the need to create more long-term investment opportunities for savers both in Asia and beyond.





PANELISTS
Alexi Chan, *Global Co-Head of Debt Capital Markets, The Hongkong and Shanghai Banking Corporation*
Brian Coulton, *Chief Economist, Fitch Ratings*
Andrew Cross, *Deputy Treasurer for Asia and Pacific, International Finance Corporation*
Luke Hong, *Group Head and Principal Specialist, ASEAN+3 Macroeconomic Research Office*
Michael Jordan, *Assistant Treasurer, Investments Division, ADB*
Peter Munro, *Head of Investor Relations, Debt Capital Markets Department, European Investment Bank*
B. Sriram, *Managing Director, Corporate Banking Group, State Bank of India*

MODERATOR
Steve Garton, *Editor, IFR Asia at Thomson Reuters*

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Quality Education and Skills—Enablers for Decent Work

PROVIDING QUALITY EDUCATION and skills is increasingly viewed as a critical cog in the strategy to promote inclusive economic growth and development in developing countries. The panel discussion revolved around various facets of ensuring access to quality skills among the youth in Asia and the Pacific, which would help achieve the global decent work agenda as envisaged under the Sustainability Development Goals. The role of governments, training providers, and employers in achieving this strategic imperative in growth agenda of developing countries was discussed as part of the panel discussion.

The moderator initiated the discussions by setting the context and reiterating the need for faster "school-to-work transition" and enabling "lifelong learning" to facilitate sustained adaptability, upskilling, and long-term career development. The panel acknowledged the recent resurgence of the technical and vocational education and training (TVET) in the region, and felt that there is a need to brand TVET to make it more aspirational for both the youth and their parents.

The panelists identified fragmented policy silos existing in developing countries as one of the stumbling blocks in implementing education and skills strategies. This, in turn, impacted the accreditation process used to regulate the training providers and, thereby, compromising on the quality aspects. The panelists also felt that greater partnership with the private sector and employers is needed to identify demand-driven courses and facilitate work-based learning. The dual system of learning followed by Germany and how it could be adapted in the region was discussed. The presence of learning pathways was indicated as an imperative for lifelong learning and long-term employment.

All the panelists recognized the importance of the roles of governments as policy maker, regulator, and facilitator. A convergent and cohesive approach to policy from governments was recommended to address the challenges faced by the sector. The panel also sought to draw attention to the critical role to be played by employers, and shared experiences of various incentive and levy models adopted to augment public sector resources for education and skills.

The panel members also brought out the need for institutional capacity building, especially the trainers and teachers who play critical roles in imparting quality education and skills. Strengthening of the accreditation process, greater respectability, and emoluments for trainers were indicated as possible solutions.

The role of labor market information system to facilitate decision making and monitoring the outcomes was reiterated by majority of the panelists. The panel emphasized the role played by such systems in identifying the right kind of demand-driven skills and also help in planning for the future in a rapidly changing global labor market.

The question-and-answer session attracted some interesting observations from the audience, especially on how to approach the challenges in countries which lack policy and regulatory frameworks, and also weak private sector involvement in the sector. The panel reiterated the role to be played by governments, and also indicated the possibility of informal industry and service provider associations stepping in to contribute in countries which lack strong private sector presence.

The moderator thanked the panel members and audience for their active participation, and concluded the discussion by suggesting that the greater coordination required among the various stakeholders in the education and TVET sector will achieve quality education and skills which, in turn, would enable sustainable decent work.

PANELISTS

Carol Bellew, *Executive Director, International Strategy and Operations, Chisholm Institute*

Paul Comyn, *Senior Skills and Employability Specialist, Skills and Employability Branch, Employment Policy Department, International Labour Organization*

Ian Kinder, *Executive Director, UK Commission for Employment and Skills*

Tilman Nagel, *Head of Section: Education, TVET and Labor Markets, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH*

MODERATOR

Domenic Belmonte, *Global Education Leader, PwC Canada*

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pwc

Role of Innovative Information and Communications Technology Solutions for Financial Inclusion

FINANCIAL INCLUSION is one of the strategic challenges for achieving sustainable economic growth, especially in a country where access to public and private services is still limited in rural populations. To overcome this, involvement of public and private sector organizations, and innovative information and communication technology solutions are indispensable.

Presentations were made by each panelist followed by a panel discussion. Main points of discussion focused on (i) cash transaction, (ii) deployment of biometrics authentication technology, (iii) international regulation, (iv) sustainability, and (v) security transaction.

Ms. Jamuna Rao Verghese from PwC, who collaborated with the NEC Corporation in a project, described the history of programs the Government of India has implemented to address poor financial access in rural regions. She also elaborated on the rapidly growing Indian private market for online financial services and technologies. Findings from the program showed that the government's strong commitment and competitive and innovative services and technologies are indispensable for the promotion of financial inclusion at a national level.

Mr. Daichi Iwata of NEC Corporation explained the overall characteristics, key success factors, and role of innovative technologies in its project in India. Ms. Kanittha Tambunlertchai from Chulalongkorn University presented a comparison betweenThailand and Myanmar's financial services and access methods (i.e., popularity of ATM, internet, among others). She concluded that Myanmar has a large potential for greater financial inclusion.

Mr. Thomas Engelhardt from Access Microfinance Holding (Germany) described his organization's experience in microfinance. Mr. Engelhardt highlighted that the cost of investing in information technologies is a challenge yet recognizedits benefits in analyzing transaction data. He proposed that group investment can be considered as an option to explore.

Finally, Mr. Naoyuki Yoshino, Dean of the Asian Development Bank Institute, summarized presentations and comments made by all panelists. Mr. Yoshino emphasized that establishing appropriate legal regulations and supervisory mechanisms in both domestic and global levels is very important because people can access internet wherever in the world and cashless transaction can be made even by mobile devices at any time.

PANELISTS

Thomas Engelhardt, *Chairman, Access Microfinance Holding AG, Berlin, Germany*
Daichi Iwata, *Manager, Business Development, NEC Corporation*
Jamuna Rao Verghese, *Senior Advisor, Inclusive Markets, PwC India*
Kanittha Tambunlertchai, *Faculty, Chulalongkorn University, Thailand*
Naoyuki Yoshino, *Dean, ADB Institute*

MODERATOR

Shinya Kukita, *Chief Engineer, NEC Corporation*

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NEC

Urban Innovations—Smart, Secure, and Sustainable Cities 2030

THE FUTURE of modern living depends on resilient societies as well as on smart, secure, and innovative cities.

Urbanization is accelerating, new megacities are emerging, and global knowledge transfer and distribution of wealth are changing rapidly. Cities face an increasing number of financial and environmental challenges. At a seminar sponsored by KPMG, panelists and guests discussed how cities can turn these challenges into opportunities.

Building efficient traffic systems, utilizing data and analytics to form an ecological and secure energy system, and modernizing data networks to create more secure cities have been pointed out as some of the immediate tasks by Mr. Mathias Oberndörfer, Managing Partner, Segment Head Public Sector at KPMG Germany. The panel agreed that, in order to drive innovation, cities require a strong vision, sustainable migration, and integration strategies as well as the ability to attract businesses and investors.

Hon. Dr. Sarath Amunugama, Minister for Special Assignments of the Government of Sri Lanka, revealed Sri Lanka's plans for innovative urban development. The country's advantageous geographic position and proximity to Arab countries on the one side, and the People's Republic of China (PRC), eastern India, and Japan as well as other Asian countries on the other, make Sri Lanka a major hub for international trade, logistics, and tourism. Thus, Sri Lanka, together with major companies especially from the PRC and Germany, is investing in modern harbor technologies, traffic infrastructure, and medical and rescue systems in major cities such as Colombo.

Developing resilience was stressed as one of the major issues by Mr. Hartfrid Wolff, Head of Security and Defense at KPMG Germany. However, resilience includes not only the readiness to cope with disasters and other natural or financial challenges, but also the social stability to learn from experience and apply trial-and-error processes in order to develop and innovate as a city.

Finally, Mr. George Norwood, Special Representative to the President of the Björn Steiger Foundation, discussed the role of digital technology in building efficient rescue systems. Mr. Norwood highlighted Germany as an example, where state-of-the-art control stations enable rescue teams to locate patients faster, to utilize the nearest ambulance, and to communicate with the hospital as early as possible.

PANELISTS

Sarath Amunugama, *Minister for Special Assignments, Sri Lanka*
George Norwood, *Special Representative to the President, Björn Steiger Foundation*
Hartfrid Wolff, *Head of Security and Defense, KPMG Wirtschaftsprüfungsgesellschaft*

MODERATOR

Mathias Oberndörfer, *Managing Partner, Segment Head Public Sector, KPMG Wirtschaftsprüfungsgesellschaft*

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Host Country Events and Seminars

Germany's partnerships and perspectives to promote sustainable development.

"We are convinced that competitiveness and sustainability can be reconciled, and that they are not mutually exclusive. We believe that structural reform for climate protection will pay off in the long term and indeed even in the medium term."

—Angela Merkel, Federal Chancellor of Germany

Germany's Energy Transition—A Model for Asia?

Hans-Joachim Fuchtel, Chair of the Board of Governors of ADB and Parliamentary State Secretary, German Federal Ministry for Economic Cooperation and Development, highlights the importance of our forests as carbon sinks: "Let's not forget the role of forests for a sound development, against climate change and for the quality of our environment."

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THE PARIS CLIMATE AGREEMENT and the UN 2030 Agenda for Sustainable Development lay down the frameworks, targets, and limits for human development within our planetary boundaries. One major challenge is achieving the goal that has been set: a global energy transition.

Firm measures must be taken to reduce global energy consumption and hold back climate change. But, unless our global energy and climate policies change, the demand for energy will increase by more than half by the year 2030. Developing countries will be responsible for almost 90% of this increase. At the same time, around two billion people worldwide are living without access to modern energy supply. Providing them with energy is a key prerequisite to global poverty reduction. Since the German energy transition started as early as in 1990, it has often been referred to as a role model. No other large economy has more expertise and wider experience in this field. But could it serve as a model for Asia?

Jeffrey D. Sachs, Director of the Earth Institute at Columbia University in New York City and Director of the Sustainable Development Solutions Network, warned representatives of governments at the Host Country Opening that failing to meet the two-degree goal would have unforeseen, even catastrophic consequences.

Mr. Gerd Müller, Germany's Federal Minister for Economic Cooperation and Development, made a strong plea that developing countries should not embark on the same development path as the industrialized countries did 150 years ago. Economic growth based on fossil fuels and technologies would, on the one hand, guarantee short-term gains and progress but, on the other hand, lock developing countries in a sustainability trap. Global decarbonization, therefore, is the only way to develop societies sustainably. To this end, new financing schemes need to be developed to make use of private capital to a hitherto unknown degree. Transparency in the finance sector, sustainable investment, and technological innovation need to go hand in hand to achieve the ambitious goals of Paris and New York, Minister Müller concluded.

Asian Development Bank (ADB) President Takehiko Nakao also highlighted the necessity to merge the development and climate agendas more tightly—one of the main strategic pillars of ADB. With growing populations and economies, the fight against climate change will be decided in Asia. That is why ADB has doubled its climate finance facility.

Mr. Jeffrey D. Sachs, Director of the Earth Institute at Columbia University in New York City and Director of the Sustainable Development Solutions Network, reinforced Minister Müller's earlier statements. His key message did not leave any room for interpretation: we either need to decarbonize quickly or we will fail to achieve the two-degree target—with unforeseeable, even catastrophic consequences. Mr. Sachs acknowledged the German "Energiewende," but emphasized that it is not free of contradictions. He called for strategic, long-term energy transition plans in each and every country, and highlighted the key role of engineers to speed up the energy transition worldwide.

In the panel discussion that followed, Vice Chancellor Leena Srivastava, The Energy and Resources Institute, was confident that India and other Asian countries could benefit from Germany's experience. But she also drew attention to the completely different position in which India finds itself: 700 million Indians are not connected to the grid—a chance for leapfrogging

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development: "To transform a complex infrastructure while operating it is much more difficult than to leapfrog from where we are to where we want to be," Srivastava said.

To provide the business perspective, hidden champions such as SMA Solar in Kassel and wind power station producer Nordex joined the discussion. Both agreed on the importance of the Asian market for German green technology. But they also noted that Asia needs to be more ambitious in its green growth targets than in the past. The potential for renewable energy is huge in Asia, Ecofys CEO Carsten Petersdorff explained. But renewable energy systems are mainly being exported to four Asian countries: the People's Republic of China, India, Pakistan, and increasingly Japan.

Mr. Klaus Milke, Chairman of Germanwatch, a nongovernment organization specialized in climate change, added a civil society perspective to the panel discussion. Mr. Milke reminded the audience that there is no one-size-fits-all example which could serve as a blueprint for Asia. Germany could mainly serve as a laboratory for learning. He argued that Western societies have to arrive at the conclusion that their model of growth and development has come to an end. A rather sobering view, which gave the ADB community much food for thought and discussion for the 49th ADB Annual Meeting.

Dr. Gerd Müller, Federal Minister for Economic Cooperation and Development, emphasized that global decarbonization is the only way to develop societies sustainably.

KEYNOTE SPEAKERS
Gerd Müller, *Federal Minister for Economic Cooperation and Development, Germany*
Takehiko Nakao, *President and Chair of the Board of Directors, ADB*
Jeffrey Sachs, *Economist*

PANELISTS
Lars Bondo Krogsgaard, *CEO, Nordex*
Klaus Milke, *Chairman, Germanwatch*
Carsten Petersdorff, *Managing Partner, Ecofys*
Jürgen Reinert, *Chairman, SMA Solar Technology*
Leena Srivastava, *Vice Chancellor, The Energy and Resources Institute*

MODERATOR
Dunja Hayali, *Journalist, ZDF*

"Transparency in the financial sector, sustainable investment, and technological innovation need to go hand in hand."

Organized by

Federal Ministry
for Economic Cooperation
and Development

Promoting Renewable Energies in Asia: The Quality Challenge

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GIVEN THE GROWING DEMAND for energy on the one hand and the challenges of climate change on the other hand, many Asian economies are supporting the use of renewable energies. To ensure that the required investments are sustainable, adequate technical and institutional capacities for quality assurance are needed. These capacities rely on a set of dedicated institutions such as national metrology institutes, national standards bodies, as well as private or public conformity assessment and accreditation bodies—in short, a national quality infrastructure (NQI).

In his welcome address, ADB Vice-President for Knowledge Management and Sustainable Development Dr. Bambang Susantono highlighted the fact that the presence of an NQI framework has the benefit of increasing investor confidence and reducing risks in clean energy development.

The panel—composed of delegates from the finance sector, government authorities, and research institutes—discussed challenges in and approaches to promoting quality in renewable energy projects in Asia, with an emphasis on India and Indonesia, as the promotion of renewable energies ranks high on their political agenda.

The panel highlighted that, in practice, capacities of quality assurance are not yet fully established; this may lead to revenue losses and safety risks, ultimately eroding confidence in renewable technologies.

Consequently, it is becoming increasingly necessary to foster further development of quality infrastructure by establishing a "cooperation for sustainability" involving policy makers, the business sector, financial institutions, and organizations of the quality infrastructure. Further, it is essential to strictly observe quality and safety requirements when creating programs for public support and funding.

The panel agreed that (i) awareness of the need for quality and safety in renewable energies is often lacking, and (ii) quality issues are largely caused by installation errors; they concluded that any investment in renewable energies should be framed by targeted capacity building for the NQI institutions in the sector.

OPENING REMARKS

Bambang Susantono, *Vice-President for Knowledge Management and Sustainable Development, ADB*

PANELISTS

Francisco Boshell, *Analyst, Renewable Energy Technology Markets and Standards, International Renewable Energy Agency*
Daniel Etschmann, *Senior Technical Expert for Solar Energy and Storage Technology, KfW Development Bank*
Maritje Hutapea, *Director of Various New and Renewable Energy, Ministry of Energy and Mineral Resources, Indonesia*
B.V. Rao, *Director (Technical), Indian Renewable Energy Development Agency, India*
Joachim Ullrich, *President, Physikalisch-Technische Bundesanstalt, National Metrology Institute of Germany*

MODERATOR

Mario Ragwitz, *Deputy Head of Competence Center Energy Policy and Energy Markets, Coordinator of Business Unit Renewable Energies, Fraunhofer-Institute for Systems and Innovation Research*

"Any investment in renewable energies should be framed by targeted capacity building."

Organized by

PTB
Physikalisch-Technische Bundesanstalt
Braunschweig und Berlin

New Asian–European Approaches on Finance and Infrastructure

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THE ECONOMIES OF ASIA AND EUROPE are growing closer together. With increasing trade and investment, transcontinental transport and infrastructure corridors that connect Asia and Europe are moving to the center of economic policy debates. Policy makers warn that the lack of well-developed infrastructure between Asia and Europe could harm the Eurasian growth potential.

Against this backdrop, the Sino–German Center of Finance and Economics organized a host country seminar featuring high-ranking panelists from politics, development and central banks, as well as academia and development practitioners. Moderated by Mr. Rüdiger von Rosen, panelists looked at the important question of suitable financing options for overcoming the existing infrastructure investment gap and tapping the potential of Eurasian economic cooperation.

Here, Asian Infrastructure Investment Bank President Liqun Jin emphasized the importance of the establishment of the Asian Infrastructure Investment Bank and its cooperation with existing development banks in order to make available further financing for infrastructure investment. Mr. Yongxiang Bu, Deputy Director General, Research Institute, People's Bank of China, stressed the special role of public–private partnerships in financing Asian infrastructure projects, whereas Mr. Shenglin Ben, Professor of Banking and Finance and Dean of the Academy of Internet Finance, Zhejiang University, regarded digital technology as a possible catalyst for enhancing connectivity between regions and between the public and private sectors. Mr. Andreas Dombret, Board Member, Deutsche Bundesbank, highlighted the importance of stable and reliable financial markets in order to attract investors. In this context, Europe's capital markets union could provide valuable lessons for Asia.

State Secretary Friedrich Kitschelt included the dimension of sustainability in his speech. In light of global climate change, it is necessary to create sustainable and resource-conserving infrastructure. Ms. Cornelia Richter, Managing Director, GIZ, agreed with that opinion and further added that technical cooperation can make a valuable contribution to creating such sustainable infrastructure.

All in all, the financing infrastructure investment gap remains an important issue in Eurasian economic cooperation. Finding proper solutions remains a crucial task for Europe and Asia in order to build a prosperous future and enhance economic cooperation between the two continents.

PANELISTS

Shenglin Ben, *Professor of Banking and Finance and Dean of the Academy of Internet Finance, Zhejiang University, People's Republic of China*
Yongxiang Bu, *Deputy Director General, Research Institute, People's Bank of China*
Andreas Dombret, *Board Member, Deutsche Bundesbank and Co-Chair, SGC Board of Trustees*
Liqun Jin, *President, Asian Infrastructure Investment Bank*
Friedrich Kitschelt, *State Secretary, Federal Ministry for Economic Cooperation and Development, Germany*
Cornelia Richter, *Managing Director, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*
Peter Wolff, *Head, World Economy and Development Financing, German Development Institute (DIE)*

MODERATOR

Rüdiger von Rosen, *Co-CEO, Sino–German Center of Finance and Economics*

Organized by

SGC 中德金融經濟中心 Sino-German Center of Finance and Economics

Empowerment through Technical and Vocational Education and Training: Innovative Financing Approaches

GERMANY is increasingly cooperating with its partner countries to promote technical and vocational education and training (TVET). TVET provides young people with essential skills that enhance their employability and access to productive employment and more income.

Fragmentation, quality issues, and a lack of involvement of the private sector are the main challenges that Asia's TVET systems are facing. Rapid growth and fundamental changes in social structures require governments to respond and to put in place the right environment for labor markets to remain flexible and dynamic. Another challenge lies in a lack of financing for TVET systems. Small and medium-sized enterprises need more access to financing tools to contribute to training. At the same time, countries are aware that skilled workers are needed for growing economies and sustainable development.

The panelists outlined the importance of a regional approach to TVET and the need for capacity building. They also highlighted the need to approach TVET not only from an economic perspective, but also from social and environmental viewpoints. The role of the private sector and of a labor market-oriented approach was strongly emphasized.

As one model for more private sector involvement, levy-based TVET financing was presented. This way of financing does not push companies to engage in TVET provision. The panelists also highlighted hybrid approaches that shift from input-oriented financing to output-oriented financing. These mixed concepts can mobilize stronger private sector involvement and can use lifelong learning accounts for individuals. The Cooperative Training Funds implemented by GIZ in the Lao People's Democratic Republic and Viet Nam served as examples of how to efficiently involve enterprises in TVET planning and delivery, and as examples of an alternative to input-based financing. Overall, seminar participants argued for the introduction of diverse funding instruments and models.

All panelists explicitly welcomed the signing of the Joint Declaration of Intent on TVET as an important step toward enhanced cooperation between ADB and the BMZ, signaling the joining of forces of two strong partners and allowing an optimistic outlook on future cooperation between ADB, Germany, and countries of the Asia and Pacific region in the field of TVET.

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EXPERT PRESENTATION
Gunnar Specht, *Managing Partner, Planco Consulting*

PANELISTS
Christine Heimburger, *Manager of the East Asia and Pacific Department, KfW Development Bank*
Volkmar Klein, *Member of Parliament, Germany*
Ayumi Konishi, *Director General, East Asia Regional Department, ADB*
Shyamal Majumdar, *Head of the International Centre for Technical and Vocational Education and Training, UNESCO-UNEVOC*
Sabine Müller, *Director General, Sectoral Department, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*

MODERATOR
Natasha Walker, *International Facilitation and Communication*

"Countries are aware that skilled workers are needed for growing economies and sustainable development."

Organized by

Federal Ministry for Economic Cooperation and Development

Mobilizing Private Capital for Green Finance in Asia and in Europe

Photos © Phototek/BMZ

CLIMATE CHANGE threatens the lives of millions of people. To limit global warming and cope with its effects, massive investment in climate-friendly technologies and in enhancing resilience against climate risks is needed. The host country seminar gathered experts from development banks, insurance companies, the civil society, and the public sector to explore ways of mobilizing and leveraging private capital for green investment. The panel agreed that the 2030 Agenda and the Paris agreement on climate change with its target of limiting global warming to less than 2°C provide the world with an excellent framework for economic, social, and environmental development.

It became clear that development institutions need to develop strategies to exit from fossil fuels and redirect investment flows toward environment-friendly projects, especially investments made by pension funds, insurance companies, and banks.

To meet the enormous annual investment needs in Asia, which are estimated at $110 billion, one should differentiate between green investments—defined by a standardized set of criteria—in the area of energy efficiency in small and medium-sized enterprises and the housing sector, which will primarily be served by banks in the region, and investments in big (public and/or private) infrastructure projects.

Among other things, panelists highlighted the need for local capital markets to facilitate solid refinancing mechanisms for renewable energy projects and to further enable innovative instruments such as green bonds issued in local currency. Also, strong cooperation between governments, the private sector, and international political forums such as the Group of 20 was identified to be crucial with a view to developing effective instruments for risk mitigation and for replicating solutions. Good initiatives on these issues are already in place and include the Emerging Markets Sustainability Dialogue, InsuResilience, and the Africa Renewable Energy Initiative.

PANELISTS

Eberhard Brandes, *Managing Director, WWF Germany*
Hongjoo Hahm, *Deputy Executive Secretary for Programmes, United Nations Economic and Social Commission for Asia and the Pacific*
Norbert Kloppenburg, *Executive Board Member, KfW; Former Senior Vice-President and Head of the Europe and Asia Department, KfW*
Thomas Silberhorn, *Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development, Germany*
Marcus Winter, *Head of Reinsurance Development, Munich Re*

MODERATOR

Bambang Susantono, *Vice-President for Knowledge Management and Sustainable Development, ADB*

Organized by

Federal Ministry for Economic Cooperation and Development

“Local capital markets need to enable innovative instruments such as green bonds issued in local currency.”

Promoting Decent Work in Global Value Chains: Multi-Stakeholder Initiatives and Vision Zero Fund

> *"The proactive involvement of businesses and other stakeholders in these initiatives is considered essential to achieve area-wide improvements."*

GLOBAL VALUE CHAINS open up significant opportunities for emerging and developing countries to be more involved in value creation, thereby boosting their economic growth. Sustainable development requires global production processes to be shaped in a socially and environmentally sustainable manner.

To unlock this potential, the Group of 7 (G7) governments have committed to support specific instruments: multi-stakeholder initiatives such as the Partnership for Sustainable Textiles to bring together businesses, unions, nongovernment organizations, and governments. By joining forces, they create synergies to implement sustainability standards along global value chains more effectively. In producing countries, the new G7 Vision Zero Fund implemented by the International Labour Organization offers a concrete tool to improve workplace safety and health, both in local companies and in public practice.

The seminar focused on the added value of instruments such as the Partnership for Sustainable Textiles and the Vision Zero Fund when it comes to improving social and environmental conditions in global value chains. In their discussions, panelists highlighted the influence of diverse stakeholder groups.

The proactive involvement of businesses and other stakeholders in these initiatives is considered essential to achieve area-wide improvements.

Panelists unanimously identified one persistent challenge—the need for a level playing field, demanding the same requirements from all businesses within a certain sector. As long as businesses can compete based on social and environmental dumping, improvements in working, living, and environmental conditions in producing countries will hardly be achieved. At the same time, some panelists emphasized that suppliers also benefit from compliance with sustainability standards, for example, when, by adhering to agreed working hours and implementing occupational health and safety standards, they can reduce sick leave or staff turnover.

As regards the sectors and countries to be focused on, panelists highlighted the challenges in the textile sector and, in particular, discussed how to strengthen sustainability standards through multi-stakeholder approaches in Bangladesh, Pakistan, and Myanmar. The panelists concluded by stressing the importance of concerted efforts and complementary measures in producing countries.

PANELISTS

K. M. David Hasanat, *Chairman and CEO, Viyellatex Group*
Susanne Hoffmann, *Director-General, European and International Labour and Social Policies*
Gilbert Houngbo, *Deputy Director General, International Labour Organization*
Thomas Silberhorn, *Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development, Germany*
Marc Sommer, *Member of Board, Hess Natur-Textilien GmbH*
Christopher Stephens, *General Counsel, ADB*

MODERATOR

Conny Czymoch, *Independent International Moderator*

Organized by

Federal Ministry for Economic Cooperation and Development

Federal Ministry of Labour and Social Affairs

Civil Society Program

Civil society organizations come together for dialogue, knowledge-sharing, and networking.

CLOSE TO 300 civil society representatives participated, coming from 16 ADB members, and representing 65 civil society organizations (CSOs) and nongovernment organizations. Of the total attendees, 181 were present in Frankfurt, while the remaining joined in through livestreaming. From the 181 who attended the meeting face-to-face, 59 (33%) were from CSOs based in the host country, Germany. A total of 55 participants, or 30%, were based in ADB members from Asia and the Pacific.

This year's Civil Society Program featured seven events focusing on important development issues. There were two types of events under this program, namely the Civil Society Panel Discussions and Learning with Partners. The first focused on subjects related to ADB programs and policies, and also served as a venue for dialogue about important civil society concerns. Learning with Partners featured sessions which aimed to share knowledge and experience about topics of relevance to the civil society and other development actors. The Civil Society Program was organized in cooperation with key CSOs in the region.

The program included discussions on core labor standards in ADB operations, infrastructure financing, safeguards, climate change finance, shrinking civil society space, and the role of the youth in achieving the Sustainable Development Goals. In general, civil society attendees found the meetings to be relevant and useful and recommended continuous communication, information-sharing, and consultation with ADB.

Meeting between Civil Society Organizations and ADB Management

THE CIVIL SOCIETY PROGRAM commenced with the yearly meeting between CSOs and ADB President Takehiko Nakao, which took place on 2 May 2016. The ADB President underscored the important role of the civil society in ADB programs and services, and addressed concerns raised by CSO representatives during the question-and-answer portion. The 1-hour meeting also mentioned some of ADB's innovative and productive activities such as quick responses to natural disasters during the Nepal earthquake, Cyclone Pam in Vanuatu, and Tropical Cyclone Winston in Fiji. The important role of CSOs in disaster response and relief was highlighted during the meeting.

The dialogue also cited ADB's membership to the Open Government Partnership, which supports member countries and CSOs to empower citizens to promote transparency, fight corruption, and harness information and communication technologies to strengthen governance.

Institutional Reforms to Improve Implementation of ADB's Safeguards Policy **Civil Society Panel (with NGO Forum on ADB)**

IN VIEW of the Safeguards Operational Review undertaken by ADB's Independent Evaluation Department in 2014, the session explored the institutional reforms that have been undertaken by ADB to address the gaps identified in the evaluation report. Organized with the NGO Forum on ADB, the discussions focused on some of the merits as well as weaknesses of the due diligence mechanism to ensure full compliance with ADB's safeguard requirements. The presentation of case studies from selected countries was shared by panel speakers.

The discussions demonstrated recognition of ADB's leadership in the development of its environmental and social safeguard policies. However, there were issues identified to ensure their effective implementation and enforcement. The panel recommends more support to ADB members to strengthen their understanding and strict compliance to safeguards standards. Specifically, ADB can promote the establishment of legal and administrative frameworks for implementing country safeguards systems, which are aligned to international standards.

PANELISTS

Nessim Ahmad, *Deputy Director General, Sustainable Development and Climate Change Department and Concurrently Chief Compliance Officer, ADB*
Ratan Bhandari, *Water Resources Activist, Nepal*
Titi Soentoro, *Policy Advisor for Gender, Social, and Ecological Justice, Aksi! Indonesia*
Eang Vuthy, *Executive Director, Equitable Cambodia*
Hemantha Withanage, *Executive Director, Centre for Environmental Justice, Sri Lanka*

MODERATOR

Rayyan Hassan, *Executive Director, NGO Forum on ADB*

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A Grassroots Perspective on Integrating Core Labor Standards in ADB Civil Society Panel (with NGO Forum on ADB and Public Services International)

QUALITY EMPLOYMENT is a key component of ADB's strategy to promote inclusive growth. Adherence to the International Labour Organization's Core Labor Standards (CLS) in ADB's lending operation is crucial to attaining this goal.

Organized by the NGO Forum on ADB, and the Public Service International, the session highlighted the importance of faithfully integrating CLS across ADB operations. Speakers led the discussion using selected country cases.

The CLS is grounded on the right to nondiscrimination, right to organize, and a society with no child labor and forced labor. The panel underscored the need to protect and respect these rights as a prerequisite to achieving positive development impact. Institutions like ADB should be able to comply with these standards; making them part of the day-to-day operation remains the challenge. Speakers also noted that monitoring ADB projects with regard to compliance to the CLS remains a challenge as well.

Panelists recommended for ADB to work more closely with governments to ensure strict compliance to CLS in ADB-supported activities. Mechanisms for monitoring compliance include establishment of grievance mechanisms, and setting up of an independent third monitoring party, among others.

PANELISTS

Claude Akpokavie, *Senior Adviser, Bureau for Workers Activities, International Labour Organization*
Martin Beckmann, *Policy Officer, Service-, Regional- and Structural Policy, Policy and Planning Unit, ver.di*
Matt Fischer-Daly, *Coordinator of the Cotton Campaign, International Labor Rights Forum*
Souparna Lahiri, *Advocate for Environment, Forests, Tribal Rights, Workers' Rights, Climate Change, and Development Finance*
Mario Sander, *Executive Director representing Austria, Germany, Luxembourg, Turkey, and the United Kingdom, ADB*

MODERATOR

Rayyan Hassan, *Executive Director, NGO Forum on ADB*

"The Core Labor Standards is grounded on the right to non-discrimination, right to organize, and a society with no child labor and forced labor. The panel underscored the need to protect and respect these rights as a prerequisite to achieving positive development impact."

Infrastructure-Driven Growth Model of Multilateral Development Banks in the Context of Planetary Limits

Civil Society Panel (with NGO Forum on ADB and Oxfam)

INVESTMENT in infrastructure has reached a new global peak as development models of multilateral development banks tend to rely heavily on infrastructure as the engine of growth.

The panel discussed challenges and consequences of implementing large-scale infrastructure, particularly on people and livelihood and environment. It aimed to examine the adequacy of the borrower systems for safeguards to protect the existing vulnerability of the people on the ground. It was organized in cooperation with the NGO Forum on ADB and Oxfam.

The session noted that infrastructure projects should be seen through the lens of a wider development framework, which includes the principles of inclusive growth, sustainable growth, and cross-regional cooperation. As borrowing countries continue to request for infrastructure funding, multilateral finance institutions like ADB need to improve its safeguards and framework, and sharpen instruments in measuring impact. The panel also noted the need to address issues in relation to inadequate consultation, lack of transparent public disclosure, and the decreasing space for civil society organizations to be engaged. Marginalization of women brought about by the proliferation of infrastructure projects should also be overcome.

PANELISTS

Mae Buenaventura, *Asian Peoples Movement on Debt and Development*
Stephanie Fried, *Ulu Foundation*
Kate Geary, *Oxfam*
Rayyan Hassan, *Executive Director, NGO Forum on ADB*
Jan Willem van den Wall Bake, *Alternate Executive Director representing Canada, Denmark, Finland, Ireland, The Netherlands, Norway, and Sweden, ADB*
Knud Vocking, *Urgewald*

MODERATOR

Jessica Rosien, *Oxfam*

"Infrastructure projects should be seen through the lens of a wider development framework, which includes the principles of inclusive growth, sustainable growth, and cross-regional cooperation."

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Space for Civil Society Engagement in the Implementation of Sustainable Development Goals: Will It Shrink or Expand?

Learning with Partners (with Partnership for Transparency Fund)

"While the Sustainable Development Goals opened doors for collaboration, civil society organizations currently operate under some challenging situations which restrict their work."

THE SUSTAINABLE DEVELOPMENT GOALS (SDGs), or the 2030 Agenda, call for a paradigm shift geared toward greater partnership between the civil society, government, and the private sector. The civil society will be a crucial player in the achievement of the SDGs which multilateral institutions like ADB have committed to support.

Organized by the Partnership for Transparency Fund, the session recognized that, while the SDGs opened doors for collaboration, civil society organizations (CSOs) currently operate under some challenging situations which restrict their work. These include legal and regulatory restrictions by some governments, limited funding, and CSOs not being treated as equal and independent partners.

CSOs call upon collective action to address these challenges. For example, coalitions and the setting up of a common platform for engagement have been effective in engaging with government and other stakeholders. The civil society also needs to learn from collaboration strategies that have worked well. Examples of effective collaboration may come from Open Government Partnership member countries.

The session recognized efforts by ADB to embrace the voice of the civil society by providing space for CSO consultations, and introducing changes in its business operations to work with CSOs more efficiently. It also underscored the role of ADB in helping governments collaborate with the civil society particularly in countries with restrictive environment for CSO cooperation.

PANELISTS

John Clark, *Member, Advisory Council of International Center on Not for Profit Law; Research Associate, Overseas Development Institute; and Chair of the Board, Partnership for Transparency Fund*
Bart Édes, *Director, Social Development, Governance, and Gender Division, Sustainable Development and Climate Change Department, ADB*
Giorgi Kldiashvili, *Director, Institute for Development of Freedom of Information, Georgia*
Agnieszka Kroskowska, *Gender Focal Person and Myanmar Country Representative, Helvetas*
Anselmo Lee, *Board Member, CIVICUS and Secretary General, Asia Democracy Network*
Suzanne Siskel, *Executive Vice-President and Chief Operating Officer, Asia Foundation*

MODERATOR

Vinay Bhargava, *Chief Technical Adviser, Partnership for Transparency Fund*

Youth for Global Goals: Mobilizing Youth to Contribute to Achieving the Sustainable Development Goals

Learning with Partners (with AIESEC)

THE SUSTAINABLE DEVELOPMENT GOALS (SDGs) have opened the door for more collaboration and engagement by all, including children and young people who make up a big percentage of the population of the Asia and Pacific region.

The youth are both underrepresented and untapped members of the civil society. Working and engaging young people are critical in helping achieve the global goals.

The *Global YouthSpeak 2015 Report* was launched during the meeting, which highlights what young people care about and how they see the world changing over the next 15 years. It proposes a road map to create opportunities for young people to volunteer and create social impact projects in support of the SDGs. Organized in cooperation with a youth organization, AIESEC, the learning session recommends that governments invest more in the youth agenda and open up space to engage young people productively in creating a better society.

The event was livestreamed to over 120 youth participants in 15 ADB resident mission offices in Asia and the Pacific.

PANELISTS
Satinder Bindra, *Principal Director, Department of External Relations, ADB*
Hongjoo Hahm, *Deputy Executive Secretary for Programmes, United Nations Economic and Social Commission for Asia and the Pacific*
Maike Röttger, *National Director, Plan International Germany*
Ana Saldarriaga, *Global President, AIESEC*

MODERATOR
Sergio Fernández de Córdova, *Chairman, PVBLIC*

"The youth are both underrepresented and untapped members of the civil society. Working and engaging young people are critical in helping achieve global goals."

In this comprehensive report, 160,292 young people voiced their opinion and gave insight on how to engage Millennials to take actions for a better world. Download from: aiesec.org/youthspeak

Safeguarding Climate Change Finance in Asia and the Pacific

Learning with Partners (with Transparency International)

COUNTRIES IN ASIA AND THE PACIFIC, and the poorest of the poor, are among the most vulnerable to the impacts of climate change. Scarce resources must be managed effectively to enable affected communities to adapt, mitigate, and recover from the worst effects of climate change in the region. The panel, through various country cases, discussed the challenges and solutions to effective governance, and focused on the role of the civil society in ensuring accountability in accessing and utilizing global and local climate finance.

With enormous investments in climate change, there are new channels, new ways of doing things, and therefore new and additional risks come to play. Transparency standards have become much more important.

"With enormous investments in climate change, there are new channels, new ways of doing things, and therefore new and additional risks come to play."

Regulations should be in place to encourage safeguarding climate change and reducing vulnerabilities. While the standards exist, implementation continues to be a challenge.

Organized by Transparency International, the learning session noted that civil society can contribute immensely to safeguarding transparency in climate change finance. However, there are concerns in some countries about the limited space for CSOs to undertake a more active role in ensuring transparency and safeguard compliance. For its part, ADB is committed to combating corruption and improving governance through its Office of Anticorruption and Integrity. Its mandate is underpinned by ADB's zero tolerance for corruption.

PANELISTS

Bart Édes, *Director, Social Development, Governance, and Gender Division, Sustainable Development and Climate Change Department, ADB*

Sumaiya Khair, *Deputy Executive Director, Transparency International Bangladesh*

Anju Sharma, *Director and Company Secretary, Oxford Climate Policy*

Ian Tellam, *Senior Consultant, Adaptify*

MODERATOR

Rukshana Nanayakkara, *Regional Outreach and Advocacy Manager, Transparency International*

Civil Society Partnership Award

AS A PILOT INITIATIVE in this year's Civil Society Program, ADB's NGO and Civil Society Center launched the Civil Society Partnership Award, a competition which aims to recognize a civil society organization which demonstrates collaboration and partnership with other development actors in the context of an ADB-supported project. The winning organization should demonstrate the important role of the civil society in contributing to better development results, through partnerships which are able to

- help incorporate the voice of the poor and the marginalized into the project,
- enhance project impact through combined and more efficient use of resources, and
- promote innovation and sustainability.

The first Civil Society Partnership Award was given to VisionFund International, in recognition of the development of an innovative Asian Region Disaster Insurance Scheme (ARDIS). The project is a regional index-based or "parametric" insurance scheme directed toward providing a viable financial safety net to enhance disaster risk resiliency in poor communities. Supported by ADB's Integrated Disaster Risk Management Fund, ARDIS cooperates with other nongovernment organizations and works closely with technical experts, industry players, and government regulators in designing the project framework.

Bambang Susantono, ADB Vice-President for Knowledge Management and Sustainable Development, conferred the award on 4 May 2016.

"We are delighted to receive this award, especially as it is a recognition of the importance of preparation before a disaster for financial resilience and rapid economic recovery," says Michael Kellogg, Typhoon Haiyan Response Director of VisionFund International.

"The first Civil Society Partnership Award was given to VisionFund International, in recognition of the development of an innovative Asian Region Disaster Insurance Scheme."

Special Features

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CNBC Debate
Asia's Economic Outlook: 60% and Counting

THE CNBC DEBATE entitled Asia's Economic Outlook: 60% and Counting featured a high-level panel comprised of India Finance Minister and ADB Governor Arun Jaitley, Indonesia Finance Minister and ADB Governor Bambang P.S. Brodjonegoro, Pakistan Finance Minister and ADB Governor Mohammad Ishaq Dar, ADB President Takehiko Nakao, and Commerzbank Regional Head Agnes Vargas. CNBC anchor Karen Tso moderated the 1-hour discussion that covered a wide range of issues, including decoupling economic growth and regional cooperation.

The debate was a rare opportunity to get together ADB Governors for India and Pakistan to discuss financial, economic, and development issues affecting Asia along with other panelists. The five-member panel looked into the future to debate what Asia's economy will be like in 5 years. They discussed whether Asia will continue to power 60% of global growth, and how the region's economic transformation will affect Asia's 4.4 billion people and their position on the global stage.

The program was aired 10 times to a potential audience of 145 million households, including 4.6 million opinion leaders, financial decision makers, and investors in CNBC's broadcast feeds in Europe as well as Asia, Pacific, Australia, and New Zealand.

CNBC also interviewed on live television other finance ministers and other delegates during the ADB Annual Meeting.

PANELISTS

Bambang P.S. Brodjonegoro, *Governor for Indonesia, ADB and Minister of Finance, Indonesia*
Mohammad Ishaq Dar, *Governor for Pakistan, ADB and Minister for Finance, Revenue, Economic Affairs, Statistics and Privatization, Pakistan*
Arun Jaitley, *Governor for India, ADB and Minister of Finance, India*
Takehiko Nakao, *President and Chair of the Board of Directors, ADB*
Agnes Vargas, *Regional Head for Greater China and ASEAN, Commerzbank AG*

MODERATOR

Karen Tso, *Presenter, CNBC*

Media partner

CNBC

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Making Sustainability Work Knowledge Exchange at the "City of Sustainability"

HOW CAN WE BRIDGE the urban infrastructure investment gap in Asia? Which German–Asian approaches and partnerships have been successful in training skilled workers who are able to satisfy market needs? How can we design strategic solutions for energy problems that will only emerge in the next few decades?

These and other pressing issues for sustainable development in Asia were the subject of discussions and exhibitions in the "City of Sustainability." With this new host country format for networking and exchange, Germany aimed to bring the motto of the 49th ADB Annual Meeting "Cooperating for Sustainability" to life and to put a focus on the implementation of the Sustainable Development Goals.

Events on the "City of Sustainability" stage highlighted different topics each day and were organized by a wide range of stakeholders from business, politics, the civil society, science, and research. This was also an opportunity to further illustrate the key topics of the meeting and to intensify discussions among the participants.

Key Topics of the City of Sustainability

- Combating Climate Change and Its Impact
- Supporting Sustainable Energy for Development
- Strengthening Technical and Vocational Education and Training
- Promoting Sustainable Consumption and Production Patterns
- Contributing to Sustainable Urban Development
- Municipal Partnership and Twinning Programs
- Financing Sustainable Development

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A cooling system designed by the Fraunhofer Research Institute is fueled with biogas from food waste.

At the center of attention on Monday, 2 May, were municipal partnerships and sustainable urban development. As a first highlight, the "City of Sustainability" was opened on Monday, 2 May, by the Chair of the ADB Annual Meeting and German Governor Hans-Joachim Fuchtel together with Mr. Peter Feldmann, the Mayor of Frankfurt. Mr. Feldmann, freshly appointed Mayor of the "City of Sustainability," emphasized the challenges cities all over the world are facing in times of rapid urbanization and technological development.

Together with Mr. Mochamad Ridwan Kamil, Mayor of the City of Bandung in Indonesia, he discussed the contribution of cities to a global energy transition as well as the role of smart solutions. Mayor Kamil was also the first to sign his name in the "Golden Book" of the "City of Sustainability." Subsequent events featured municipal partnerships and peer-to-peer learning in common projects between cities worldwide and the interplay of the different administrative levels in the implementation of the global 2030 Agenda.

The focus of Tuesday, 3 May, was strengthening technical and vocational education and training (TVET). Germany has a long history of experience with practice-oriented education, and has increased its efforts to promote development cooperation on TVET in Asia in recent years. On the "City of Sustainability" stage, new approaches were presented, together with examples for integrating academic studies and workplace training in Mongolia and Viet Nam as well as for a partnership between the German automobile company Porsche and the NGO Don Bosco

ADB Governor for Germany Hans-Joachim Fuchtel opens the City of Sustainability.

Peter Feldmann, Lord Mayor of the City of Frankfurt am Main, receives the keys of the "City of Sustainability" with key rings symbolizing the Sustainable Development Goals.

Mochamad Ridwan Kamil, Mayor of Bandung, Indonesia, signs the "Golden Book."

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Art for Change: Dr. Thomas Silberhorn, Parliamentary State Secretary to the Development Minister, together with "Socialplastics" artist Gerhard Bär, who raised awareness for environmental issues.

ADB President Takehiko Nakao and German Federal Minister for Economic Cooperation and Development Gerd Müller making their mark during their tour through the City.

Bicycle-powered milkshakes and tons of ideas and information at the City booths.

Mondo, a nongovernment organization (NGO), to train mechatronics engineers according to market needs in the Philippines.

Sustainable global supply chains were at the heart of the "City of Sustainability" stage program on Wednesday, 4 May. The role of resource-saving potentials in the Asian textile sector was discussed in a contribution by PUMA, while WWF Germany highlighted the extreme rates of deforestation for the purpose of commodity production in Southeast Asia and discussed the role of the finance sector in contributing to the implementation of deforestation-free supply chains.

"Cooperating for Sustainability" also became an off-stage experience. Twenty eight exhibitors—among them nongovernment organizations, FinTech companies, and research institutes—presented German expertise, innovative solutions, and successful partnerships.

Among the high-ranking participants who visited the "City of Sustainability" was German Chancellor Dr. Angela Merkel, who stopped at the booth of Fairtrade, an NGO, to talk about sustainable supply chains in the textile sector.

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German Development Minister Gerd Müller in a gyrocopter, developed for precision farming or detecting old landmines, while Governor Hans-Joachim Fuchtel and ADB President Takehiko Nakao look on.

City of Sustainability Exhibitors and Partners

- Agency for Business and Economic Development
- Bankenverband Hessen
- Bettervest
- Bitbond
- BJP India
- Borda (Bremen Overseas Research & Development Association)
- Brot für die Welt
- Center for Macroeconomic Research, Kazakhstan
- Centre for European Policy Studies (CEPS)
- China Development Bank Capital Corp.
- China Europe International Exchange AG (CEINEX)
- Cities Development Initiative for Asia (CDIA)
- City of Bandung, Indonesia
- City of Colombo, Sri Lanka
- City of Dresden
- City of Frankfurt
- City of Leipzig
- Clark
- Connective Cities
- Crawford School of Public Policy, Australian National University, Canberra
- DEG
- Deutsche Asset Management
- Deutsche Bank AG
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
- Deutscher Städtetag
- Don Bosco Mondo e.V.
- DZ Bank
- Economic Research Institute for ASEAN and East Asia (ERIA)
- Ed. Züblin AG
- Embassy of the Republic of Iraq to Germany
- Engagement Global
- Fairtrade International
- Fairtrade Network of Asian and Pacific Producers (NAPP)
- Federal Ministry for Economic Affairs and Energy (BMWI)
- Federal Ministry for Economic Cooperation and Development (BMZ)
- Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB)
- Federal Ministry of Finance (BMF)
- Forschungszentrum Jülich
- Frankfurt Main Finance
- Frankfurt School - UNEP Collaborating Centre for Climate & Sustainable Energy Finance
- Frankfurt School of Finance and Management
- Fraunhofer
- Fraunhofer FIT
- Fraunhofer IAO
- Fraunhofer ISE
- Fraunhofer UMSICHT
- German Academic Exchange Service (DAAD)
- German Office for International Cooperation in Vocational Education and Training (GOVET)
- German Water Partnership (GWP)
- German-Mongolian Institute for Resources and Technology (GMIT)
- German-Philippine Chamber of Commerce and Industry, Inc. (GPCCI / AHK Philippinen)
- Grasshopper Investments GmbH
- Handicap International
- ICLEI - Local Governments for Sustainability
- Import Promotion Desk and Sequa
- Indo-German Alliance for Water Efficiency (IGAWE)
- Institute for International Monetary Affairs (IIMA), Japan
- Institute of Environmental Engineering & Management, University Witten/ Herdecke
- INWASOL GmbH
- Johns Hopkins University, Hopkins-Nanjing Center, Nanjing University, People's Republic of China
- KfW
- Konrad-Adenauer-Stiftung (KAS)
- Kuhn GmBH
- Metropolitan Region FrankfurtRheinMain
- Ministry of Economics, Energy, Transport and Regional Development, State of Hesse
- Ministry of Local Government, Housing and Environment, Fiji
- Monetas
- People's Bank of China (PBOC), Research Bureau
- Plan International
- Porsche AG
- PUMA
- PwC
- REDO Water Systems GmbH
- Securities & Exchange Board of India (SEBI)
- Service Agency Communities in One World (SKEW)
- State Secretariat for Economic Affairs (SECO), Switzerland
- Technical University Berlin
- The Energy and Resources Institute (TERI), India
- Transfair/Fairtrade
- Veridos a company of Bundesdruckerei and Giesecke & Devrient
- Vietnamese-German University
- WebID Solutions
- WILO Financial Services GmbH
- Wilo SE
- WWF Germany

The 49th ADB Annual Meeting in Germany: A Sustainable Event

THE FIRST EVER ADB Annual Meeting in Germany was certified (ISO 20121) as a sustainable and carbon-neutral event.

ADB and the Federal Ministry for Economic Cooperation and Development (BMZ) reduced carbon dioxide emissions wherever possible by seeking out sustainable solutions for transport and catering, and finding ways to reduce or reuse the material needed.

This means that the City of Sustainability" will come alive again: the maritime pine used in all the constructions will be reused as the floor of a cultural center in Mestlin, a small town in Mecklenburg-Vorpommern, in northern Germany. Other materials such as badge lanyards will be reused for subsequent ADB Annual Meetings. Additionally, 100% green electricity, an environment-friendly mobility concept and giving preference to regional products all helped to make it a sustainable event.

All emissions that could not be avoided will be compensated by ADB and BMZ. The emission allowances will promote renewable energies by supporting the Tata Khandke Wind Project in India.

The ADB Annual Meeting in Germany will leave its mark on Frankfurt's cityscape. As a strong and long-lasting symbol of sustainability for future generations, ADB and Germany planted the first Green Lecture Hall at the Frankfurt Goethe University, on 30 April. Over time, the trees will grow and form an innovative living construction that can be used for seminars and conferences by roughly 50 students. The BMZ was the initiator of this green venue as a creative place for discussions, including an annual exchange of ideas between the BMZ and students about sustainable development.

Germany's track record of carbon-neutral events includes the 2006 Football World Cup and the G7 summit at Elmau.

"With the Green Lecture Hall, we are planting ideas for the future, quite literally."

—Hans-Joachim Fuchtel, Chair of the Board of Governors and Governor for Germany, ADB; Parliamentary State Secretary, Federal Ministry for Economic Cooperation and Development, Germany

What We Did

- Made the event carbon-neutral by compensating all unavoidable carbon emissions
- Initiated a tree-planting event to leave a "green" legacy
- Reduced the number of vehicles by introducing a car-pooling solution for high-level guests
- Used low-emission hybrid vehicles
- Provided free tickets for public transport on every badge instead of providing shuttle buses within Frankfurt
- Reduced the number of printed publications.
- Used 100% recycled paper for all necessary Annual Meeting documents
- Provided regional and seasonal food and serving fair-trade tea and coffee during the sessions
- Recycled consumables and registration badges
- Used 100% green electricity at the Messe venue

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About the Annual Meetings of the Asian Development Bank Board of Governors

The Annual Meeting of the ADB Board of Governors is an opportunity to provide guidance on ADB administrative, financial, and operational directions. The meetings provide opportunities for member governments to interact with ADB staff; nongovernment organizations; media; and representatives of observer countries, international organizations, academe, and the private sector. ADB's annual meetings have become a premier forum for the discussion of economic and social development issues in Asia and the Pacific. In 2016, the ADB Annual Meeting was held in Frankfurt, Germany.

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 half of the world's extreme poor. 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.