PFM and Sustainable Development Goals: The Asian Development Bank Perspective

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ADB FOUNDED IN 1966

- 67 members; 48 in the region
- 40 borrowing members
- Japan and the United States are the 2 largest members
ASIA AND THE PACIFIC’S POVERTY CHALLENGE

- Asia continues to grow at a fairly steady pace
- Half of the world’s extreme poor live in the region
- 451 million live on less than $1.90 a day
ADB’s CORE BUSINESS

- Finance and Advice for Development Solutions
- Loans
- Technical Assistance
- Grants
- Guarantees
- Equity Investments
- Policy Dialogue
- Knowledge and Partnerships
STRATEGY 2020
ADB’s Long-Term Strategic Framework 2008-2020

Three Agendas

Inclusive Growth
Environmentally Sustainable Growth
Regional Integration
ASIA AND THE PACIFIC’S POVERTY CHALLENGE

• The development needs of Asia and the Pacific alone are great. The region needs about $800 billion per year for the next decade to attain its development goals.
THE ROLE OF THE MDBs

• The Multilateral Development Banks are important to the implementation of the Sustainable Development Goals 2030 Agenda.

• MDBs can increase the attractiveness of development investments.
THE ROLE OF THE MDBs

• The higher ambitions outlined in the SDGs means no single funding source on its own will be sufficient.
THE ROLE OF THE MDBs

• Asia is a huge market – it holds more than 50% of the world’s population and 40% of GDP.

• Asia and the Pacific is driving global progress and influencing global achievements.

• By 2050, an additional 3 billion Asians could enjoy standards of living similar to those found in Europe and North America today.
THE ROLE OF THE MDBs

• Asia’s infrastructure financing gap is huge with some $8.3 trillion needed over the next decade.

• The region is unable to adequately develop and channel existing pools of savings into bankable projects.
THE ROLE OF THE MDBs

• There are many similarities between the mandates of the MDBs and the SDGs – both calling for economic prosperity, social equity, and environmental responsibility.
THE ROLE OF THE MDBs

• It is important that we ensure the effective management of government financial resources and operational efficiency in developing countries.

• ADB will redouble its efforts to develop national and regional financial management systems.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is helping to achieve the SDGs by undertaking significant internal reforms to adequately meet the region’s vast development needs.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is increasing its financial capacity.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is addressing absorptive capacity issues in developing member countries.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is supporting the preparation of bankable projects.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is focusing on the poorest countries in the context of the enhanced ambitions of the SDGs.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is addressing country-specific challenges without increasing indebtedness.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is forming strong cofinancing partnerships to fully leverage its resources.
NEXT STEPS: ADB’S ENGAGEMENT

• ADB is strengthening collaboration beyond cofinancing to catalyze not only greater resources but also knowledge.
NEXT STEPS: ADB’S ENGAGEMENT

• The goal is to help mitigate poverty, promote inclusive growth, and help developing countries make progress on the SDGs.
NEXT STEPS: ADB’S ENGAGEMENT

• MDBs like ADB will draw upon implications of the SDGs to help end poverty, protect the planet, and ensure prosperity for all.
Thank you

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