

Two Faces of Asia: Communicating for Funding Support in ADB

Omana Nair
Head, Media and Communications Unit
Department of External Relations
Asian Development Bank
Tunis, 22 March 2010



Presentation Objectives

- Role of communication in support of efforts to increase funding
- Importance of showing results
- Challenges and lessons

ADB at a Glance

- Established 1966, headquarters Manila, 2500+ staff; 27 field offices
- 67 members; 48 from Asia-Pacific, 19 non-regional
- In 2009, ADB provided total loans worth US\$16 billion



Background

- Growing demand for assistance
- Financial crisis - need for greater support
- Members endorsed 200% general capital increase (GCI)
- Without GCI, ADB would have had to cut back lending substantially

Challenge

- Communicating need for capital increase
- Stakeholder skepticism
- Demonstrating ADB relevance and impact

Challenge

The Wall Street Journal Europe

2 May 2008

Page 12

ADB Adrift

The Asian Development Bank's board of governors is migrating to Madrid this week to debate the meaning of its existence. That's a week to mull over a bottle or two of wine. Asia is the world's fastest growing region and doesn't much need development advice anymore.

countries that couldn't access capital that time, the Vietnam War was just starting and Communism was a

Spain backs ADB strategy after U.S. criticism

Reuters , Wednesday April 30 2008

MADRID, April 30 (Reuters) - Spain on Wednesday backed the Asian Development Bank's long-term policies to reduce poverty after U.S. criticism they fail to focus on the very poor and lack accountability. Spain's Socialist government endorsed the ADB's strategies as it prepared to host the multilateral lender's May 3-6 annual meeting in Madrid.

It follows a vote earlier this month in which the United States, one of the biggest ADB donors, rejected the bank's long-term policies to 2020.

Jesús Díez, Spain's deputy director for international financial institutions, said

The logo for the Asian Development Bank (ADB), consisting of the letters "ADB" in white serif font on a dark blue square background.

Strategy

Two questions

1. How do we **tell** our story?
2. How do we **sell** our story?

Telling Our Story

Messaging

- Paint pictures of contrast

Improved lives vs struggling poor

Better infrastructure vs lack of basic access

- Highlight plight of vulnerable

- Use figures, narrative, for vivid images

In just one generation, poverty has fallen from one in every two Asians, to one in five

But around 900 million people, or one-third of Asia's population, still live in extreme poverty of less than US\$1.25 a day



Two Faces

Asia Pacific is progressing

- Growth was 9% in 2007
- By 2020, just 10% expected to live on US\$1 a day
- **BUT** one-third of Asia's population remain extremely poor, and there are huge inequalities
- 700 million still lack access to clean water
- 1.9 billion without access to sanitation
- 100 million children are not enrolled in primary schools
- 100 million children are malnourished

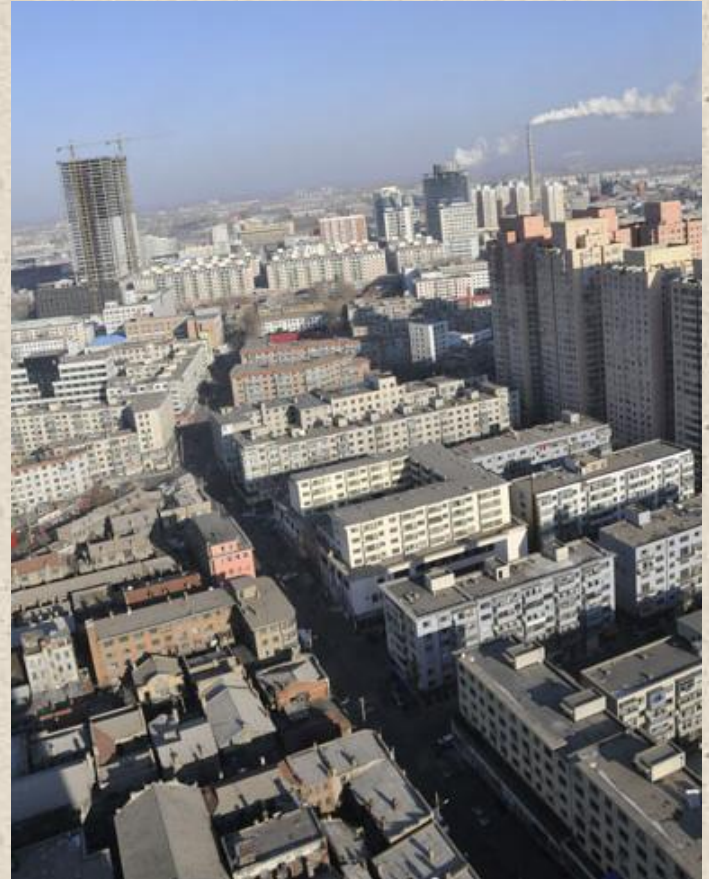
Two Faces of Asia

Vulnerable Groups



Two Faces of Asia

Progress and Challenges



Two Faces of Asia



Two Faces of Asia

Appeal to minds and hearts, stress partnerships

- Show results as self-evidence of success of assistance
- Point to challenges and stress continued need for assistance
- Highlight partnership efforts between ADB and DMCs



Asians Need Support to Achieve MDGs



Asia: Progress and Challenges



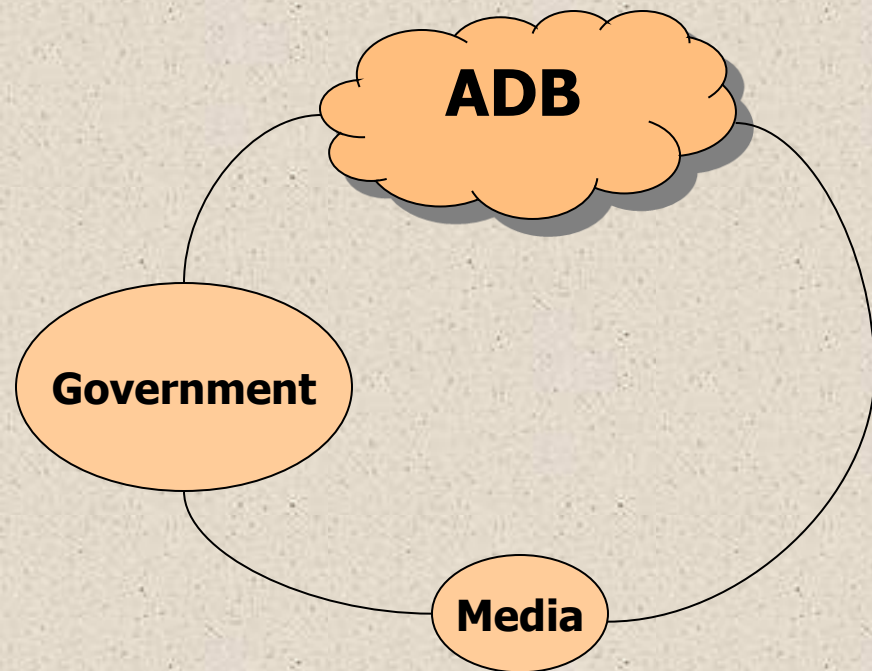
Campaign

Plan and leverage strategic events

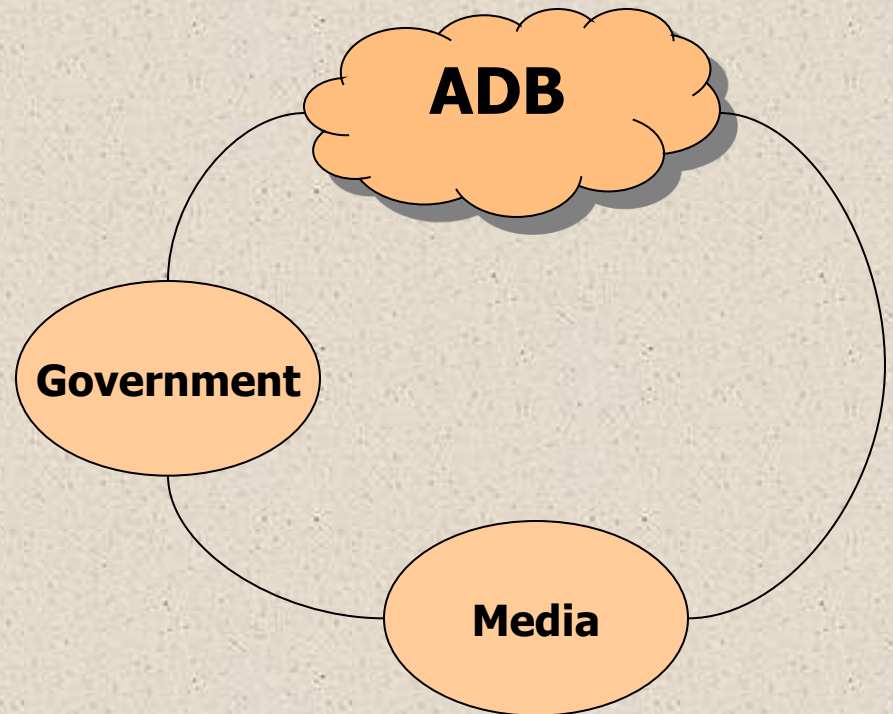
- Develop communication strategy
- Lay groundwork
- Annual Meetings
- Secure commitment for Asian Development Fund



Stakeholders/Influencers



DMCs



Donors



Campaign

Media and Communication Programs

- Media Activities
- Management Outreach
- Publications
- Speaking Opportunities
- Web
- Multimedia
- Translations



Management Driven

- President and Managing Director General led from front
- Speak in One Voice; Coordinated
- Face-to-face engagement with Government Partners
- Management-led response to adverse media reports

Showing Results: Impact Stories

- Publications to share success stories
- Reach out to donor countries
- Projects and evidence-based



Showing Results: Development Effectiveness Review

- Annual performance reporting mechanism or Development Effectiveness Review introduced
- Development Effectiveness Country Briefs



Showing Results: Development Effectiveness Review

ADB Asian Development Bank

ADB'S CONTRIBUTIONS TO DEVELOPMENT RESULTS

Volume and Performance of ADB Operations

4. ADB has been a leading development partner since Bangladesh became a member in 1973. As of 31 December 2006, cumulative public sector lending to Bangladesh amounted to \$8.2 billion—\$7.4 billion Asian Development Fund (ADF) and \$0.8 billion ordinary capital resources (OCR)—for 170 loans (158 ADF and 12 OCR). As of the end of 2006,

5. **Project Implementation Performance and Success Rate.** Of the 53 project completion reports from 1992 to 2006, 44 were rated highly successful, generally successful or successful; 7 were rated partly successful; and 2 were unsuccessful (figure 5).

Highlights of ADB Results

6. **Agriculture and Rural Development.** The Northwest Crop Diversification Project (NCRDP), approved in 2000, is raising farm



DEVELOPMENT EFFECTIVENESS COUNTRY BRIEF

Bangladesh

ADB Asian Development Bank

ADB'S CONTRIBUTION TO DEVELOPMENT RESULTS

Volume and Performance of ADB Operations

8. In the period 1990–2006, ADB approved \$250.1 million in Asian Development Fund (ADF) loans and grants, and \$49.3 million in technical assistance (TA). Key sectors for ADF assistance included education, health, agriculture, and transport (figures 1 and 2). ADB assistance to PNG during the 1990s was affected by a period of

9. Against this backdrop, ADB's portfolio performance was generally poor, as reflected in project completion ratings (figure 3). A 2003 Country Assistance Program Evaluation concluded that ADB had supported the right development areas in PNG, but generally failed to effectively contribute to development outcomes at the sector level because of fragmented programs. Where target outcomes were achieved, their sustainability was affected by a lack of counterpart funding for recurrent operations.



DEVELOPMENT EFFECTIVENESS COUNTRY BRIEF

Papua New Guinea

ADB

Media Campaign

Straits Times

2 May 2009

ADB to lend more to crisis-hit members

Lender expects Bali meet to lead to an aggressive response to credit crisis



Managing director-general Rajat Nag believes the ADB must step up to the plate with more resources rather than just advice.

meetings should be on dealing with financial crisis.

"We hope the outcome of these meetings will be a greater appreciation of the financial dimensions to step

The exclusion per cent. It will remain number

Also Asian g integrat energy mate cl

The watch pose to Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

Mr

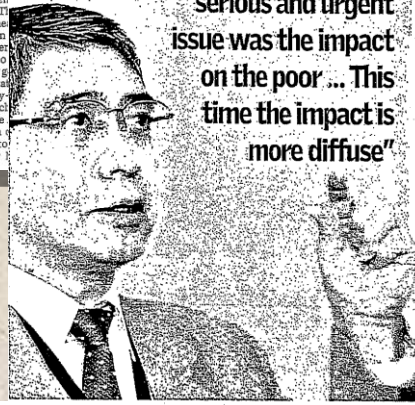
Mr

Mr

Mr

Mr

"Last year, the most serious and urgent issue was the impact on the poor ... This time the impact is more diffuse"



Asian Development Bank to boost lending to region's poorest nations by \$10 billion

SOURCE: Associated Press
AUTHOR: Stephen Wright
DATE: 2 May

BALI, Indonesia (AP) - The Asian Development Bank announced Saturday lending to the region's poorest nations by more than \$10 billion and warned that the global economic downturn could double poverty by 2020.

ADB Vows \$13b More For Region

London. The Asian Development Bank plans to boost its assistance for nations struggling with the global financial crisis by \$13 billion dollars, it said on Friday. It plans to pump an extra \$3 billion into economies in difficulty and will increase its project lending by \$10 billion dollars over the next two years. Meanwhile, East Asian finance chiefs are expected to try to hammer out details in the coming days of a proposed \$120 billion fund they can tap in the event of a currency crisis. They will meet on the sidelines of the bank's annual meeting in Bali that runs from Saturday until Tuesday, as Asia faces the new threat of a pandemic outbreak.



Haruhiko Kuroda, president, Asian Development Bank

International Herald Tribune

ADB calls for fast action to fight high food prices

Reuters
MADRID: The Asian Development Bank has called for immediate action from global governments to combat soaring food prices and pledged fresh financial aid to help feed the Asia Pacific region's poorest countries. "The food crisis calls for immediate response of governments and the international community," the ADB con-

Countries including India, Vietnam, Indonesia and Brazil have imposed curbs on food exports in a bid to secure domestic supplies and limit inflation. The ADB report blamed such market interventions for increasing price volatility, arguing that they had reduced current supply and increased uncertainty about future supplies. Global food prices, based on United Nations records, rose 35 percent in the

BBC NEWS

Asian bank in food crisis warning

The Asian Development Bank (ADB) has warned that the crisis of rising food prices could reverse gains made in reducing poverty across the continent. Bank president Haruhiko Kuroda warned at its annual meeting in Madrid that "the cheap food era may be over". Donor countries have pledged more than \$11bn (£5.5bn) to a fund to ease the hardship of Asia's poorest people. Meanwhile the African Development Bank has pledged an extra \$1bn for its loans portfolio to tackle the food crisis.

Asia urged to rethink growth policies amid crisis

Advertisement * Your Ad Here

By STEPHEN WRIGHT
The Associated Press
Sunday, May 3, 2009 7:58 AM

BALI, Indonesia -- Asia's governments must spend more on social safety nets and reduce their reliance on export-driven growth as they grapple with an economic meltdown that will keep tens of millions trapped in poverty, finance officials said Sunday.

The Asian Development Bank, holding its annual meeting in Bali, Indonesia, has warned that 61 million people will remain trapped in extreme poverty this year because of the global slump. That figure could increase to nearly 160 million if slow growth continues next year, it said.

The bank's president, Haruhiko Kuroda, said the collapse in global trade has "gathered momentum" as export markets suffer a massive contraction.



ADB to get 11.3 billion dollars to tackle poverty, food crisis

247 words
3 May 2008
16:16
Agence France Presse
English
Copyright Agence France-Presse, 2008 All reproduction and presentation rights reserved.

Donors have pledged 11.3 billion dollars (7.3 billion euros) to the Asian Development Bank to tackle poverty and the food crisis.

The amount is a 60 percent increase over the 7.0 billion dollars donated to the bank's Asian Development Fund for Asia's poorest countries, the bank said on Friday. The figure marks a 60 percent increase from the \$7 billion donated to the fund in the previous four-year period, it said in a statement issued late Friday on the eve of its annual meeting.

ADB agenda positive for Asia

497 words
8 May 2008
Business Times Singapore
English
(c) 2008 Singapore Press Holdings Limited

THERE was more than a little irony in the suggestion by US governor to the Asian Development Bank (ADB) that the institution is in danger of becoming 'irrelevant'. In fact, the ADB has never looked more relevant to Asia's needs than now, when president Haruhiko Kuroda is pushing through a robust agenda in vitally important areas.

Not least of these is the provision of infrastructure to link Asia's far-flung markets, a priority upon which Mr Kuroda is heavily focusing. This is precisely where institutions such as the ADB have a comparative advantage. They are

Media Campaign

To fight poverty in region Donors pledge \$11.3 billion to ADB

MADRID, May 4 (Reuters) — Donors to the Asian Development Bank have pledged \$11.3 billion for the four years 2009 to 2012 to replenish the multi-lateral body's key poverty alleviation fund for Asia's poorest countries, the bank said on Friday. The figure marks a 60 percent increase from the \$7 billion donated to the fund in the previous four-year period, it said in a statement issued late Friday on the eve of its annual meeting.

Washington is concerned the ADB is channelling too much money to middle income countries like China and India, rather than poorer states. Critics say the ADB has paid more

has drawn criticism from the United States that the bank is failing to focus its work on the very poor and lacks accountability.

Pakistan was the largest borrower, followed by Vietnam, India, China and Indonesia.

The row between the ADB and the United States has overshadowed the annual meeting which will discuss ways to alleviate the impact of soaring food prices on Asia's poor.

The ADB's "Strategy 2020," which

Bloomberg.com

ADB Donors Pledge \$11.3 Billion to Region's Poorest Countries

By Shamim Adam

May 3 (Bloomberg) -- The Asian Development Bank said donor countries pledged loans of \$11.3 billion over the next four years to fund infrastructure spending and fight poverty in the region's poorest countries.

The amount to the Asian Development Fund, or ADF, is a 60 percent increase from the \$7 billion when donors contributed \$7 billion in low-interest loans and grants between 2005 and 2008, the lender said in a statement. The funds are available for distribution between 2009 and 2012.

Malnutrition still widespread in Asia, and the global food crisis is expected to worsen.

OpEds - Influencing Public Opinion

The Jakarta Post

3 May 2009

'Compromising the next generation':

Rajat M. Nag

The Asian Development Bank (ADB) is holding its 42nd annual meeting of board of governors in Bali from Saturday to Tuesday as the US-led global financial crisis is taking its toll on Asia. The Jakarta Post's Aditya Suharmoko talked to ADB managing director general Rajat M. Nag on ADB's contribution and controversy. The following are excerpts of the interview.

Question: What is the urgency for ADB to have a general capital increase (GCI) by three times amid the global financial crisis?

Answer: The biggest challenge in the Asia-Pacific is to fight poverty. And even before the financial crisis, we have estimated that Asia needs about US\$53 billion per year to achieve the Millennium Development Goals. Asia has grown very well in terms of economic growth over the last two decades. But it still has a huge number of people ... 900 million people living under \$2.5 dollar per day, 600 million are without access to clean water, 1.9 billion without access to education ... Asia is a continent with two faces: One is very nice, a lot of modernization; the other one is not so shiny, with people in very poor condition. ...

One in every five Asians is living under \$2.5 dollar per day. We will contribute to fight against poverty.

there won't be a significant increase, we expect to increase our lending by \$10 billion for two years. We want to be able to provide more resources, or fiscal stimulus. We've created recently trade financing of \$1 billion.

So what we will do with the general capital increase? We'll increase our resources to our member countries, including Indonesia, to fight poverty. (And) because of the global financial crisis, economic growth in Asia will be 3 percent lower than last year. Last year, we grew by 6.3 percent. For 2009, we expect it to be 3.4 percent.

Because of the 3 percent decline, 600 million people more will remain poor, 10 million more will be undernourished ... In Asia, the financial crisis is more a social crisis.

Does it mean that by borrowing money from ADB, Indonesia is tied to terms and agreements that it should



BLOOMBERG/DIMAS ARDIAN

try Partnership Strategy (CPS). We discuss with the government at the beginning of the year, a three-year cycle. What the country needs, what ADB can do and agree on CPS. The fundamental objective in every country is to fight poverty. So Indonesia borrows money from ADB to fight poverty. But how the government wants to use the money is up to the government to decide.

Obviously we talk to the government about infrastructure financing, trade financing. We're talking about support to small- and medium-sized enterprises and the education sector.

How do you see the protests held by several non-government organizations about the loans from ADB?

THE WALL STREET JOURNAL.

OL. XXXIII NO. 168

OWJONES
A NEWS CORPORATION COMPANY

ASIA

FRIDAY - SUNDAY, MAY 1 - 3, 2

asia.wsj.

The ADB Is Helping Asia's Poorest

By Haruhiko Kuroda

This week's agreement by the Asian Development Bank board of governors to triple the bank's resources here is timely, well-timed, and will help the region's poorest.

ment Goals laid down by the United Nations in 2000, including those related to nutrition and health. A three-percentage-point drop in the region's GDP growth rate in 2009 will translate into around 10 million more undernourished people, more than 50,000 more deaths of children younger than five years old, and about 2,000 more mothers dying in childbirth. It also translates into a one-year delay in achieving targets relating to infant mortality and hunger.

The new capital increase will let us do more:

Governments in the region face the stark challenge of stemming the impacts of

economic stability, strengthen financial systems and trade regimes, protect the most vulnerable members of society against the worst impacts of the crisis, and minimize cutbacks in investments in infrastructure, education and health programs—investments that are critical for long-term growth and social stability. The capital increase will dramatically enhance our ability to carry out this role. Every dollar of paid-in capital to the ADB has historically led to \$15 in new lending.

However, we do not intend to rest on our laurels. Even with a 200% capital increase, our resources will be small relative to the region's huge development financing

ADB

Challenges

- Managing sensitivities
- Winning over key stakeholders
- Communicating success stories

Lessons

- Creating key messages which will resonate
- Developing strategy to match resources
- Management buy-in and participation
- Improvising and adapting strategy

Final Thoughts

- Challenging journey
- Consistent message, realistic plan
- Perseverance, focus

“Look at the world around you. It may seem like an immovable, implacable place. It is not. With the slightest push – in the right places, it can be tipped.”

Malcolm Gladwell 'The Tipping Point' (2000)

