

ADB's 50 Years: Good Journey So Far, Still Some Way to Go

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As the Asian Development Bank (ADB) celebrates its 50th anniversary, it is gratifying to reflect on the remarkable transformation that has occurred in Asia and the Pacific. The contrast between Asia at the time of ADB's founding and Asia now could not be sharper. Fifty years ago, the region was the world's poorest, with an annual per capita income of about \$100, poorer than Sub-Saharan Africa. Feeding people was a primary concern, and many countries were experiencing civil and military conflicts.

Now, Asia is the world's most dynamic region. It is peaceful and stable, a source of innovation and a driving force of the global economy. Rising wealth has also brought social progress.

As a key partner in Asia's development, ADB has been a part of Asia's growth story. In partnership with member countries, including bilateral organizations such as JICA, the bank has mobilized more than \$250 billion for development investments. This influx of capital has supported physical projects, particularly in infrastructure, and has strengthened institutions that expand opportunities, build prosperity, and develop sound policies.

Japan has been an important partner for ADB. Working with JICA, ADB has been able to provide strong support for a host of programs and projects across Asia and the Pacific. Since 1988, JICA has co-financed 51 sovereign loans and two grant projects amounting to \$7.4 billion for 20 countries. The projects are in the areas of transport, energy, agriculture, natural resources and rural development, education, public



sector management, water and urban infrastructure, and services.

In November of 2015, ADB and JICA announced a \$16 billion partnership over the next five years to support high-quality infrastructure investments in both the public and private sectors. Under this partnership, a trust fund capitalized with \$1.5 billion in equity from JICA will provide at least \$6 billion to support private infrastructure projects. The partnership will also promote public sector investment for quality infrastructure, using the comparative advantages of the two organizations.

But challenges remain. The region is still home to 330 million people living on less than \$1.90 a day, the threshold for extreme poverty. Inequalities are rising, which threatens social order and economic growth. The region faces

complex challenges prompted by rapid urbanization, climate change, demographic transitions, and huge infrastructure deficits. The advent of disruptive technologies, greater automation, and progress in ICT can help millions of people in the region if effectively harnessed and properly managed.

Over the years, ADB's partnership with JICA has contributed to Asia's success, but we cannot be complacent. We need to further deepen our support, building on our strong track record of cooperation. The two organizations need to help the region achieve its development aspirations as reflected in the ambitious Sustainable Development Goals. With such continued cooperation and goal-oriented action, the next 50 years will see the region go far toward completing a transformation that is both equitable and sustainable.

JICA^{WORLD}
is published by JICA

Publisher:
Masahiko Tanaka
Office of Media and
Public Relations

Nibancho Center Bldg
5-25, Niban-cho
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The Japan International Cooperation Agency (JICA) is the world's largest bilateral development organization, operating in some 150 countries to help some of the globe's most vulnerable people.