

Remarks by Hon. Finance Minister Dr. Yuba Raj Khatiwada during 51st Annual Meeting of Board of Governors, Manila, the Philippines on 5th May, 2018

Mr./Madam Chairperson
President Nakao,
Fellow Governors,
Ladies and Gentlemen!

Let me join fellow governors to express my sincere appreciation to the Government of Philippines, the Filipino people and ADB for their warm hospitality extended to us during this meeting.

Let me also reiterate that ADB has been instrumental in fighting poverty and enhancing inclusive development in the region. I would like to congratulate President Nakao for the excellent leadership and ADB team for tireless efforts to get the outstanding achievements.

Mr./Madam Chair,

Nepal is a country not only of young mountains and young people, but also of a young democracy and one of the youngest federal systems. So it has to face multidimensional risks and vulnerability in the development process. The country is now striving for sustainable inclusive economic development with struggle for political rights being over and stability being ensured. Historical democratic achievements have been made through the central, provincial and local elections under the new inclusive constitution which has fully shifted the country's administrative system from a unitary to federal one. In a single last year, representatives of the three layers of the federal system were elected with 41 percent of them being women. The newly elected government is committed for eradicating extreme poverty, improving living standards of people and driving economic development through the institutionalization of the federal system.

Having achieved significant progress in social outcomes along with achieving satisfactory growth in the recent years, Nepal faces huge infrastructure and connectivity gaps. Also inequality is persistent. Lack of in-country and regional connectivity exacerbates inequality. This might ignite conflict, disturb social cohesion among societies and reverse the development outcomes. This is what SDGs have also flagged on. As we are trying to address this challenge, ADB also needs to perceive it seriously and shape its policy discourses to address this.

Mr. / Madam Chair,

Nepal's goal of graduating from LDC status in the next four years, meeting the fundamental civil rights of the citizens as enshrined in the constitution, and achieving the SDGs calls for synchronizing our development programs with these goals. The country needs to invest at least 50 per cent of GDP annually to meet the SDGs alone during the entire period till 2030, and this translates to public sector financing gap of more than 10 percent of GDP for the SDG period. This is where I see a great role that ADB can play for meeting the financing gap.

Besides, there are challenges in addressing global environment and climate change vulnerability in the entire region, cross-border migration, crime, and human trafficking. We need strong regional cooperation and financing in the form of grant assistance to address these social and environmental issues. It is global justice too for countries which are not the cause of these problems.

Finally, I am extremely thankful to ADB for its support to Nepal's development during the last almost three decades, during which time the country has gone through many upheavals. Government of Nepal and its people are very much confident of getting higher support from ADB to take our country to the path of prosperity.

I thank you all.