

Forum on “Inclusive Green Growth: Investing in a Sustainable Future”

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Opening Remarks by Hideaki Iwasaki

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Excellencies, distinguished delegates, development partners, experts, ladies and gentlemen. Good morning to you all. On behalf of the Asian Development Bank, I extend a warm welcome to this beautiful city of Chiang Mai.

As the country representative of ADB to Thailand, it is my great honor to deliver these opening remarks at the start of the forum on ‘Inclusive Green Growth: Investing for a Sustainable Future’. Let me begin by thanking the Ministry of Natural Resources and Environment, Government of Thailand, represented this morning by Deputy Permanent Secretary Pongboon Pongtong, for hosting this forum for today and tomorrow and the 5th Greater Mekong Subregion Environment Ministers’ Meeting that will be held the day after tomorrow on the 1st of February.

The GMS region is now seeing accelerated economic growth. I have some quotes from ADB’s Asian Development Outlook published in December, which says, “Growth in the larger Southeast Asian economies surpassed expectations in the third quarter of this year, benefitting from rising investment and exports. Most now have upgraded growth forecasts, with the subregion projected to expand by 5.2% in both 2017 and 2018.” For the East Asia, the same ADO says “Robust outcomes boosted by exports and domestic consumption lift the growth forecast for East Asia this year from 6.0% to 6.2%. The People’s Republic of China is expected to grow by 6.8% in 2017.” Against the backdrop of these strong economic growth stories, Green Growth, which is the topic of the forum for the next two days, would be about how we can create the pathway to make the economic growth more sustainable.

Indeed, there is growing interest among GMS countries in greening their economies. Most GMS countries have adopted green growth principles to a varying extent in formulating their national economic development strategies.

Countries are reorienting their policies. Policies relevant to greening of the economy would include financial and regulatory incentive measures, such as promoting and certifying sustainable production and trade, environmental taxes and fiscal reforms, green energy investment frameworks, incentives for green growth innovation, financial mechanisms to de-risk green infrastructure investments, and valuation of and payments for ecosystem services.

Investments are being directed to such areas as renewable energy, green transportation, green urban development, water supply, sustainable agriculture, forest conservation, clean technologies and waste management.

In promoting policies and investments for green growth and greening the economy, ADB places an emphasis on private sector development, knowledge-based partnerships, and the facilitation of regional cooperation and integration (RCI), in addition to providing public sector finance.

Access to and mobilization of financial resources is a key challenge in sustainable infrastructure investments. Here, we place particular importance on facilitating private sector investment. A regional team of ADB's Private Sector Operations Department now has many staff based in the GMS countries, who are actively supporting renewable energy investment.

As an important RCI initiative, a regional power trade framework is being developed to support grid code development and regulatory reforms in the GMS.

As a cross cutting, thematic initiative of the GMS Economic Cooperation Program, to support the GMS Countries in delivering environmentally friendly economic growth, the GMS Core Environment Program (CEP) was launched in 2006 with the generous support of co-financiers including the Global Environment Facility, the Government of Sweden and the Nordic Development Fund.

CEP's Strategic Framework and Action Plan (2018-2022) seeks to support the adoption of green growth pathways by GMS countries. The Environment Operations Centre (EOC), based in Bangkok, will continue to provide knowledge management and project preparation support to enable countries to develop well-designed viable projects that are able to deliver measurable benefits under the action plan. EOC will also assist in accessing funding for sustainable infrastructure projects and other interventions. A pipeline of investment projects has been developed in consultation with GMS countries.

As a closely related RCI initiative, the GMS Core Agriculture Support Program 2018-22 envisions the GMS as a leading global supplier of safe and environment friendly agri-food products by focusing on market expansion for GMS farmers and small and medium enterprises.

The CEP and CASP programs together with other regional projects will lead green growth initiatives in the GMS.

(The pursuit of green growth and green economies is crucial for long-term economic stability and growth, poverty alleviation, food and energy security, conservation of natural resources, and protection of the environment.)

We will hear today and tomorrow about the substantial work that is being undertaken in the GMS and elsewhere towards promoting green growth and

investing in a sustainable future, and the creative actions that are already being taken or planned towards achieving this future.

We believe that the forum coupled with the Green Growth exhibition, which is going to be unveiled later this afternoon, will offer interesting insights into the way green growth practices can be adopted in investment, which will help realize the shared vision of GMS countries of a future that is prosperous, equitable, inclusive, and environmentally sustainable.

It is in the anticipation of successful outcomes from this forum that I conclude my remarks.

Thank you for your attention.