

**ADB Transport Forum
Asia on the Move: Energy Efficient and Inclusive Transport**

Remarks by

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Introduction

Honorable Minister Reddy, Ministry of Urban Development – India, Mr. Peter O'Neill, Specialist Adviser, Central Research Department, Department For International Development (DFID) – UK, and Professor Tony Ridley, Emeritus Professor, Imperial College of London and Chairman of the Global Transport Knowledge Partnership (gTKP); distinguished guests: good morning. On behalf of the Asian Development Bank (ADB), I would like to welcome and thank all of you for coming here to share your knowledge, experience and commitment on a more and more complex field of our work in the context of “Energy Efficient and Inclusive Transport.

This is the first Forum to be held by ADB in the transport sector. For this event, we have over 250 participants from over 30 countries. I would like to thank the Global Transport Knowledge Partnership and the South East Asia Community Access Programme (SEACAP) for supporting the Forum.

The Forum is very timely for us in ADB, following the release of ADB's long-term strategic framework, *Strategy-2020*, which defines our goals and our vision – an Asia and Pacific region free of poverty. The Forum will address the emerging challenges in the transport sector and discuss with you how ADB will address these in line with *Strategy 2020*.

Transport for Socio-Economic Development

Our Strategy-2020 is based three strategic thrusts: (i) inclusive growth; (ii) sustainable development; and (iii) regional cooperation and integration. Today, I will share with you some thoughts on the important role of ADB's transport sector operations in effectively meeting these goals for our developing member countries. Transport has already been a critical sector for ADB. Transport sector loans amount to 21% of ADB's total lending since start of operations (1966). This share has steadily risen and since 2000 has been above 30% of total lending. Looking into the challenges ahead of us the impact of effective transport projects will be even more significant.

First, appropriately designed transport projects can contribute to promoting *inclusive growth* and poverty reduction. Mobility is a key to enable all people to actively participate in economic activities, access education and health services and by this helping to lift them out of poverty. What is at stake is in this context the emphasis on providing transportation means to people so that they can participate in socio-economic activities. Particularly, *rural accessibility* is essential to ensuring a balanced development. However, it is not enough to say that access is provided to rural communities – they must be affordable to the poorest people in the

communities. The main focus is to facilitate mobility. Road infrastructure needs to be provided and supported by reliable, safe and affordable transport services, as well as cooperative farm-to-market vehicles, just to name a few examples.

Second, as the Asia-Pacific region has the fastest growing motorization rate in the world with growth rates of over 10% per annum, *sustainable transport* is critical to protect the environment and address *climate change*. The transport sector is the largest emitter by oil usage, and by far the fastest growing, especially in our region. Environmentally sustainable transport modes and mobility patterns are required to stop the explosive growth in transport GHG emissions. Action must be taken at both local level to promote sustainable and energy efficient mobility. Particularly, *urban transport* is a major need for the region. In addition, ADB will also support the developing member countries to effectively adapt to the effects of climate change – through *climate proofing* – in our transport and other infrastructure projects. Our transport projects will be geared towards mitigating climate change through sustainable transports, and adapting to climate change through climate proofing.

Finally, ADB has under preparation a number of transport projects to promote *regional cooperation*. The increase in international trade has resulted in markedly different travel characteristics and shipment of goods compared to two decades ago. Integrated transport infrastructure and logistic services are required to serve and sustain the growing economies of the Asia-Pacific region. In addition, the *social consequences* related to the new travel patterns must also be addressed; human trafficking, spread of HIV/AIDS, or trade of illicit goods must also be reflected and translated into sustainable transport solutions.

Conclusions and Next Steps

To achieve our development objectives as laid down in ADB's *Strategy 2020*, business as usual in the transport sector will not deliver the results needed for a region free of poverty. ADB will align its transport sector work to one that promotes strategic, integrated and realizable transport infrastructure and services – based on sound governance and wide stakeholder participation. We will focus on environmentally sustainable, energy efficient and safe transport. Reflecting the well known concepts for "Education for All" and "Energy for All", we will focus on 'Transport for All'. This is a goal of the ADB transport sector work and an underlying objective of the transport sectors enabling role in development by providing equitable access to health, education and employment opportunities. Transport for all must be affordable, reliable and help to access the rural and marginalized urban communities; requiring both physical infrastructure and public transport services.

We fully recognize that this will be difficult and costly. The challenges we face today, soaring fuel prices, threats from climate change, and growing disparities in economic development, all point to the need to take action. These issues are interlinked and will require our collective and coordinated response –from ADB and governments, as well as with other members of the development community, including the private sector and civil society. This Forum, we hope, will be instrumental in catalyzing necessary actions. I encourage all of you here to continue and strengthen our collaboration towards a more prosperous, cleaner, safer, and healthier world for future generations, a globalized world with an increasing notion of connectivity. I look forward to fruitful exchange of ideas and knowledge in the next three days. Thank you very much.