

Press Release

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"We need a new vision and strong leadership, to ensure that Asia's success is sustained." – Prime Minister Tony Blair

Prime Minister Tony Blair opened the *Asia 2015: Promoting Growth, Ending Poverty* conference in London yesterday setting out the success and challenges ahead for Asia. The PM highlighted the "remarkable progress" but warned "we should be under no illusion. Major challenges remain" as Asia aims to eradicate poverty in the next generation.

Hilary Benn, UK International Development Secretary, announced at the conclusion of the conference today more than £35 million in funding for Asia to help tackle poverty, protect the environment and promote private sector investment in building and improving infrastructure and services such as access to clean water.

The Asia 2015 conference, which brought together political leaders, private sector, senior officials, NGO representatives and academics from across Asia, focused on showcasing regional successes, sharing lessons and looking to the future.

The challenge of eradicating extreme poverty in Asia in the next generation will only be achieved through closer partnerships, both within Asia and with donor countries. The UK Government, through DFID, has spent £742 million in bilateral support on fighting poverty in Asia last year. This spending has more than doubled between 2001-05 and it is expected to grow by a further 25 per cent by 2008.

Today's announcements include:

- a commitment to a new series of UK Developmental Partnership Arrangements (DPAs) in Asia, one of which was agreed with Afghanistan last month, and one planned with Vietnam in the near future;
- a contribution of £29 million by the UK to boost the level of private sector investment in medium-sized infrastructure projects, to help improve access to services and improve the quality of life of slum dwellers; and
- £7 million to help protect the environment by clamping down on illegal logging across Asia, as part of a £25 million package towards the EU Forest Governance and Trade Initiative (FLEGT).

Hilary Benn said:

"Asia is a continent of extremes. Its economic successes have helped lift more people out of extreme poverty faster than at any time in history, yet it is also home to two-thirds of the planet's poor, with more than 650 million people living on less than \$1 a day.

"There is the real chance that Asia could eradicate extreme poverty in a generation; but this cannot be done alone.

"Partnership, both between Asian countries and with the rest of the world, is the way to make this happen."

Notes to Editors:

- 1. Development Partnerships Arrangements set out how the UK will work closely with countries to ensure that support for reducing poverty is delivered in the most effective way, and in partnership with recipient countries. The agreement with Pakistan is likely to set out common objectives to help strengthen the focus on poverty eradication, the Millennium Development Goals and governance. It is also the intention to adopt a similar 10 year DPA with Vietnam shortly.
- 2. The £29 million for the Asian Private Infrastructure Financing Facility (AsPIFF) will support work with key partners, such as the Asian Development Bank, to

help meet a funding gap on smaller infrastructure projects. It aims to increase the level of domestic private sector investment in smaller green-field infrastructure projects. This is designed to boost the number of projects, which are particularly aimed at improving access to safe drinking water, sanitation, better housing and trade.

- 3. The UK's £25 million contribution to the FLEGT initiative will build voluntary agreements between EU member states and timber producing countries, and establish licensing schemes that will help increase local regulatory control of legal logging. This will help protect the environment and boost legal sources of income for poor, forest dependent people, as it is already doing in a number of countries such as Indonesia. £7 million of this total will be used to take forward this work in Asia.
- 4. **Asia 2015** was a two-day conference hosted by DFID, the World Bank and Asian Development Bank on 6-7 March involving around 200 high-level delegates. It was an informal gathering of politicians, experts, private sector, civil society and development agencies to discuss development challenges facing Asia and to develop ideas on the best way forward over the next 10 years.
- 5. The conference concentrated on three key areas; promoting action to ensure sustainable growth, unleashing the potential for poverty reduction, and sharing lessons and helping each other to mutual benefit. Asian development experience leads the world, and the conference was an opportunity to highlight key aspects of that success relevant to other regions. The conference could also act to stimulate the wider process of economic growth and eradicating poverty. For more information about the conference and its conclusions, see <u>www.asia2015conference.org</u>

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