

# Aid and Asia Buzz (March 15): ADB leader search | Laos disappearance | India aid budget | Myanmar ‘too much too soon’?



Takehiko Nakao, Japan's vice finance minister, is a candidate for ADB President. Photo: Bloomberg

by Ashlee Betteridge

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## ADB's search for a new leader begins ... quietly

A search for a new leader of the ADB has begun after President Haruhiko Kuroda announced he would **step down** from his role on March 18 after being nominated to lead the Bank of Japan.

According to the ADB press office, nominations for the position opened on March 7 and will close on March 24. The bank's Board of Directors will elect the new President by April 25. This information was not available on the ADB website.

Japan, which has always provided the multilateral lender's President, has already **announced** they will run a candidate – Takehiko Nakao, Japan's current vice finance minister. Former US ambassador to the ADB Curtis Chin **has called for** Japan to evolve its approach to the ADB, to open the gates for more diversity in its leadership going forward.

As yet, no details have been released of any other firm candidates. It also looks unlikely that the ADB will be adopting an open process for choosing a leader, despite other multilateral financial organisations such as the World Bank and EBRD **recently conducting more competitive and open recruitment**.

The two-week nomination period at the ADB also seems comparatively short – at the World Bank, nominations were **open for five weeks** and the call for nominations **was public**.

Australia, which has traditionally supported competitive and open recruitment processes at international institutions, has made no comment on the ADB process thus far.

### **Disappearance of activist in Laos attracts international attention**

Laos is facing growing international pressure after the disappearance of respected human rights worker and activist Sombath Somphone in December.

During a visit to Laos at the end of February, after [urging](#) from Greens Senator Lee Rhiannon, Australian Foreign Minister Bob Carr [raised the issue](#) with his Lao counterpart and said he had been assured relevant departments would continue to pursue the issue.

Lao authorities are alleging that Sombath was likely kidnapped for ‘business or personal reasons’ after [video footage](#) emerged of him being pulled over by police in a traffic check and then taken away.

The case has [shocked](#) local environmental activists and NGOs. [Human Rights Watch](#) has been calling for action, US Secretary of State Hillary Clinton has [spoken out](#), and other [Southeast Asian political leaders](#) have expressed scepticism about the government’s theory that it is a simple kidnapping.

As detailed in a recent [posting](#) on New Mandala by Simon Creak and Keith Barney, the disappearance was part a series of events involving civil society figures following their participation in an Asia-Europe People’s Forum in November.

It followed the eviction of the head of a Swiss NGO who was also involved in the forum and spoke out strongly on government censorship.

The incident suggests some Lao authorities still see civil society actors as threats to established interests, while civil society itself is trying to generate a louder voice. It also raises questions for NGOs, activists and the aid community about how they should engage in Laos.

### **India budget tightens aid expansion while still helping neighbours**

The growth of India’s aid program has been reined in by budget cuts designed to put a hold on the country’s ballooning deficit. However, the overseas development funding allocation is still nearly double that committed by India two years ago in 2011-2012.

India’s neighbours will still benefit, with [Bangladesh, Bhutan, Myanmar and Afghanistan](#) the top recipients. All four of these countries will see a slight boost in

aid from India in the coming year. Aid to **Sri Lanka will also increase**. Some **92% of grants and loans** from the aid program will cater to nearby neighbours, making India's aid program tightly focused on its own backyard.

### Is aid to Myanmar 'too much too soon'?

The author of a forthcoming study entitled "Too much, too soon?" has **questioned the actions** of organisations and donors moving into Myanmar.

At an event in Washington this month, The Brookings Institution's Lex Rieffel said that the country was at risk of being targeted for more foreign aid than it could absorb.

"We have seen other countries where there has been a tsunami of aid, and that has created certain problems," **said Rieffel**.

Rieffel and his co-author James W. Fox have cited activities such as the growing number of aid-related visitors seeking meetings with officials as significantly compromising aid effectiveness.

Myanmar president Thein Sein went on **his first trip to Brussels this month**, gathering praise for Myanmar's '**historic**' transition and further pledges of development assistance. The EU also agreed to look at a bilateral investment agreement with Myanmar and to **talk about** lifting sanctions on the country at an upcoming meeting this month. Thein Sein also visited Finland, securing an **\$8.4 million aid package** for the country.

USAID is optimistic about its ongoing work in Myanmar, **according to Administrator Rajiv Shah**. He cites improving ties with the government and an 'explosion of international support' for the country's transition as positive factors for the reform process. USAID recently announced three new projects for the country, including projects to boost access to the Internet, strengthen government transparency and expand digital literacy.

### *Other Myanmar aid news:*

- Myanmar is **preparing for its first census** in 30 years, supported by the UN – but will the Rohingya be counted?
- UN agencies and **the Red Cross** have been able to **deliver aid to conflict-riddled Kachin state** for the first time in more than a year. However, there are reports that the army is using the entry of humanitarian aid as a **tactic to reinforce its troops** in the area.
- Impoverished villages on the Myiek archipelago and small islands will be **among**

the first to benefit from World Bank projects in Myanmar.

- The Singapore Red Cross is **building a first aid station** on the dangerous Yangon-Naypyidaw highway to get accident victims to hospital much sooner.
- The UK will **provide \$900,000** to set up a responsible investment centre in Yangon.
- Health experts are warning that Myanmar could **lose its battle against HIV** unless more funding can be secured.
- **Concerns have been raised** that Indian aid channelled through the Ministry for Border Affairs in Chin state may not benefit the Chin Christian majority, currently facing religious persecution.
- The Myanmar government's **failure to protect aid workers** from threats and intimidation by extremists in Rakhine State is 'unconscionable', according to Human Rights Watch. A United Nations investigator has also criticised access barriers for humanitarian workers in **a recently released report**.
- Australian Foreign Minister Bob Carr announced **a further \$2.5 million** in assistance for those affected by the conflicts in Rakhine and Kachin states.
- Japan has pledged to step up collaboration and **economic activities**.

### Will US aid to Central Asia drop?

Recently released **budget papers** hint at a 13% drop in aid from the US State Department for Central Asian countries, if approved by Congress.

Overall, State Department aid to Central Asia would drop from \$133.6 million in fiscal year 2012 to \$118.3 million in the current fiscal year, 'Peace and Security' aid programs would stay roughly steady at \$30.3 million, according to **analysis of the papers**.

In East Asia and the Pacific, the papers suggest a relatively modest drop of around \$34 million across the region for FY13.

### In brief

**China and South Korea have agreed** to replace and repair old passenger trains in Sudan, to improve transport links for passengers and for the movement of minerals and resources.

Two technical assistance grants from the ADB, **totalling \$12.5 million**, will create jobs and improve tourism in the Philippines.

USAID has promised to continue aid to Sri Lanka **despite accountability issues**.

The ADB will lend \$150 million for the development of a **hydropower plant in Nepal**.

The China Development Bank is continuing to **expand its global reach**.

## DEVPOLICYBLOG

A new World Bank report looks at how **Mongolia** can improve the quality of its infrastructure spending.

JICA is providing some **one billion yen to the Philippines** to upgrade its earthquake and tsunami monitoring systems and will also participate in a technical cooperation project to reduce **system losses of electrical cooperatives**.

Australia pledged **\$24 million over five years** to prevent and respond to violence against women in Cambodia, **\$50 million** to combat trafficking in persons, and \$1 million to tackle **avoidable blindness** in Laos.

Japan has hosted talks between a number of East Asian nations about **aid for Palestine**.

A new World Bank book looks at the **financial practices and strategies of Bhutanese households**.

Japan has **reiterated its commitment** to support development in Africa.

There have been **allegations** that aid for typhoon victims in the Philippines is being politicised by candidates ahead of elections, delaying distribution.

JICA is ready to support a loan to **build a metro system** in Dhaka, Bangladesh, as well as more than **\$1 billion of other loans** to support infrastructure projects in the country.

**Korea International Cooperation Agency (KOICA)** have committed to a project to fight tuberculosis in Fiji.

USAID will invest \$300 million in projects for women's rights in Afghanistan. **But will it help?**

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#### Link:

<https://devpolicy.org/aid-and-asia-buzz-march-15-laos-disappearance-too-much-too-soon-in-myanmar-india-aid-budget-tightens-more-20130315/>