

Chair's Summary of Meeting of the Board of Directors

16 June 2009

Crisis Response of Asian Development Fund— Allocation of Additional Liquidity

1. The Board of Directors discussed and approved the R-Paper which recommends distributing \$400 million additional liquidity to Asian Development Fund (ADF)-only countries using a pro-rata approach derived from the 2009-2010 Performance-Based Allocation.
2. Many Directors encouraged ADB to identify additional resources for ADF, including the release of liquidity held to cover currency risk associated with remaining legacy loans, the use of available excess liquidity, clearance of donor arrears, and additional donor support. A few Directors expressed dissatisfaction with the lack of resources for blend—countries with access to both ADF and Ordinary Capital Resources—and post-conflict countries, while other Directors favored targeting the poorest countries as the priority.
3. Several Directors emphasized the need to ensure effective implementation and timely processing and delivery of ADF assistance. Some Directors raised concerns with enhanced front-loading, including possible concentration of projects in one year and its impact on future resources.