

# Chair's Summary of Meeting of the Board of Directors

---

6 April 2009

## **The Fifth General Capital Increase of the Asian Development Bank**

1. The Board of Directors discussed the R-paper on the fifth general capital increase (GCI V) of the Asian Development Bank (ADB). The R-paper recommended an increase in ADB's subscribed capital by 200% with a paid in portion of 4%. The R-paper further recommended approval of a draft report of the Board of Directors to the Board of Governors and a draft Resolution of the Board of Governors on GCI V, containing the terms and conditions for subscription of shares.
2. The Board approved the recommendations of the GCI V R-paper.
3. The Board of Directors deemed that the R-paper provided a convincing case for the proposed GCI V. Many were pleased to see ADB's strong commitment to continue its efforts for achieving higher institutional effectiveness including measures to enhance ADB's human resources management, and risk management capacity. ADB will also continue to strengthen anti-corruption, improve transparency and update its safeguard policy. Several Chairs requested for Board consultation in implementing the reform measures. Some Chairs felt that broadening ADB's use of fee-based services for knowledge products would require careful examination.
4. Going forward, many members of the Board emphasized the importance of effectively implementing the GCI V program focusing on Strategy 2020 and also ADB's operations in response to the global economic crisis. A number of Chairs considered the quality and adequacy in staff resources to be a key factor for GCI V implementation. While higher levels of net income transfer to the Asian Development Fund was supported, several Chairs sought careful review and a balanced approach to allocating ADB's net income in the future.