

M9-09  
21 April 2009

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE  
ASIAN DEVELOPMENT BANK HELD AT 10:00 A.M. ON 31 MARCH 2009**

**PRESENT:**

<b>PRESIDENT:</b>	Haruhiko Kuroda
<b>VICE PRESIDENTS:</b>	C. Lawrence Greenwood, Jr. Ursula Schaefer-Preuss Xiaoyu Zhao
<b>DIRECTORS:</b>	Phil Bowen Howard Brown Curtis S. Chin Md. Saad Hashim Marita Magpili-Jimenez <sup>*</sup> Michele Miari Fulcis Masakazu Sakaguchi Eduard Westreicher Wencai Zhang
<b>ALTERNATE DIRECTORS ACTING FOR DIRECTORS:</b>	Md. Aminul Islam Bhuiyan Tsuen-Hua Shih CJ (Stan) Vandersyp
<b>ALTERNATE DIRECTORS:</b>	Siew Juan Aw Torben Bellers Richard Edwards Fangyu Liu Dereck Rooker-Smith Joao Simoes de Almeida Yasuto Watanabe
<b>THE SECRETARY:</b>	Shyam Bajpai

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<sup>\*</sup> For part of the meeting.

**STAFF:**

**Office of the Secretary:** Roger A. Burston, Assistant Secretary

**Office of the General Counsel:** Jeremy H. Hovland, General Counsel

**Southeast Asia Department:** Jaseem Ahmed, Director (SEFM); Valyoor V. Subramanian, Principal Financial Sector Specialist (Capital Markets) (SEFM)

**Private Sector Operations Department:** Philip Erquiaga, Director General; Robert W. van Zwieten, Director (PSCM); Adiwarman Idris, Head, Private Sector Group (OPSD); Steven Beck, Investment Specialist (PSCM)

1.1 The Board considered and approved the Draft Minutes of the Meeting of 4 March 2009 (DOC.DM6-09).

2.1 The Board considered and approved the Draft Minutes of the Meeting of 5 March 2009 (DOC.DM7-09).

3.1 The Board considered and approved the Draft Minutes of the Meeting of 10 March 2009 (DOC.DM8-09).

4.1 The Board considered DOC.R31-09: Proposed Loan and Equity Investment—Indonesian Infrastructure Financing Facility Company Project (Indonesia) and approved

- (i) a loan of up to \$100,000,000 to the Republic of Indonesia for the Indonesian Infrastructure Financing Facility Company Project on such terms and conditions as are substantially in accordance with those set forth in the draft Loan Agreement presented to the Board; and
- (ii) an equity investment of up to \$40,000,000 (rupiah equivalent) in the capital of the Indonesian Infrastructure Financing Facility Company.

5.1 The Board considered DOC.R32-09, Addendum 1, and Corrigendum 1: Loan 2033-REG and Equity Investment 7186-REG: Trade Finance Facilitation Program—Major Change in Scope and Amount, and approved the revised Trade Finance Facilitation Program as described in the RRP, including the following key changes:

- (i) an increase of the overall exposure limit for the Trade Finance Facilitation program to \$1,000,000,000;<sup>\*</sup>
- (ii) an extension of the term of operation of the Trade Finance Facilitation Program to December 2013; and
- (iii) an increase in the maximum tenor of funds loaned or guaranteed under the Trade Finance Facilitation Program from 2 to 3 years.

5.2 The Board further approved, as it did in the original Program report and recommendation of the President, by requisite affirmation vote of Directors representing not less than two-thirds of the total voting power of ADB's members, pursuant to Article 14 (ix) of the Articles of Agreement, that obligations issued by DMC banks included in the Program to cover goods and services procured from non-ADB member countries that flow to or from such developing member countries be eligible for support under the Program.

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<sup>\*</sup> Of the \$1 billion, \$500 million will be available for 2009 and the entire amount will be available thereafter.

6.1 The Board recorded its approval, with effect from 16 March 2009, of the recommendation in paragraph 2 of DOC.R20-09: Proposed Grant Assistance for Reducing Persistent Chronic Malnutrition in Children in Mongolia (Financed by the Japan Fund for Poverty Reduction).

7.1 The Board recorded its approval, with effect from 16 March 2009, of the recommendation in paragraph 22 of DOC.R23-09: Proposed Technical Assistance to Bangladesh for Supporting Implementation of the Bangladesh Climate Change Strategy and Action Plan (Financed by the Japan Special Fund).

8.1 The Board recorded its approval, with effect from 18 March 2009, of the recommendation in paragraph 70 of DOC.R24-09: Proposed Loan—Quality and Safety Enhancement of Agricultural Products and Biogas Development Project (Viet Nam) (Summary Procedure).

9.1 The Board recorded its approval, with effect from 19 March 2009, of the recommendation in paragraph 37 of DOC.R35-09: Grant 0067-AFG: Private Sector and Financial Market Development Program—Progress Report: Release of Second Tranche.

10.1 The Board recorded its approval, with effect from 20 March 2009, of the recommendation in paragraph 2 of DOC.R25-09: Proposed Grant Assistance to Indonesia for Rice Fortification for the Poor (Financed by the Japan Fund for Poverty Reduction).

11.1 The Board recorded its approval, with effect from 23 March 2009, of the recommendation in paragraphs 24 and 25 of DOC.R26-09: Loan 1329-LAO: Theun-Hinboun Hydropower Project—Request for Waiver of Negative Pledge Cause.

11.2 The United States opposed.

12.1 The Board recorded its approval, with effect from 23 March 2009, of the recommendation in paragraph 81 of DOC.R27-09: Proposed Supplementary Loan—Third Road Upgrading (Sector) Project (Fiji islands) (Summary Procedure).

13.1 The Board recorded its approval, with effect from 25 March 2009, of the recommendation in paragraph 102 of DOC.R28-09: Proposed Loan and Administration of Grant—Credit for Better Health Care Project (Philippines) (Summary Procedure).

14.1 The Board recorded its approval, with effect from 27 March 2009, of the recommendation in paragraph 28 of DOC.R36-09: Loan 1946-LAO: Banking Sector Reform Program—Progress Report: Release of Third Tranche.