

# Asian Development Bank & Hong Kong, China

## FACT SHEET

The Asian Development Bank (ADB) is dedicated to reducing poverty in the Asia and Pacific region through pro-poor sustainable economic growth, social development, and good governance. Established in 1966, it is owned by 67 member nations—48 from the region—who have committed \$143.53 billion to the vision of a region free of poverty.

Despite the region's many successes, it remains home to two thirds of the world's poor: 1.8 billion people who live on less than \$2 a day, with 903 million struggling on less than \$1.25 a day.

Hong Kong, China is the 25<sup>th</sup> largest shareholder. It has contributed \$298.26 million in capital subscription and \$55.96 million to special funds since joining in 1969.

Companies and consultants from Hong Kong, China have been awarded \$847.3 million in procurement contracts (based on nationality of contractor) on ADB-financed projects since 1970.

In 2008, lending volume was \$10.49 billion (86 projects), with technical assistance at \$274.5 million (299 projects) and grant-financed projects at \$811.4 million (49 projects). This also generated \$1.65 billion in direct value-added cofinancing from financing partnerships operations.

Over the last 5 years (2004–2008), ADB's annual lending volume averaged \$7.70 billion, with technical assistance averaging \$231.5 million and grant-financed projects \$655.1 million.

As of 31 December 2008, the cumulative totals were \$143.53 billion in loans for 2,147 projects in 41 countries, \$4.08 billion for 263 grant projects, and \$3.55 billion for 6,599 technical assistance projects.

In addition to loans, grants, and technical assistance, ADB uses guarantees and equity investments to help its developing member countries.

With headquarters in Manila, it has 26 offices around the world and more than 2,000 staff from over 50 countries.

### Shareholding and Voting Power

Hong Kong, China is the 17<sup>th</sup> largest shareholder in ADB among its regional members. Overall, Hong Kong, China is the 25<sup>th</sup> largest shareholder. It shares both positions with Myanmar.

Number of shares held:	19,270 (0.54% of total shares)
Votes:	32,502 (0.73% of total membership, 1.13% of total regional membership)
Overall capital subscription:	\$298.26 million
Paid-in capital subscription:	\$20.90 million

### Contributions to Special Funds Resources

Hong Kong, China has contributed to the Asian Development Fund (ADF), which is ADB's window for concessional lending to its borrowing members, and to the Technical Assistance Special Fund (TASF), which provides grants to borrowing members to help prepare projects and undertake technical or policy studies.

Contributions to the ADF (committed):	\$54.46 million
Contributions to the TASF (committed):	\$1.50 million

### Cofinancing

ADB arranges cofinancing from bilateral, multilateral, export credit agencies, and commercial sources, in the form of grants for technical assistance and components of loan projects, loans, and credit enhancement such as guarantees and syndications. Cofinancing brings additional resources to ADB's project financing. In 2008, total direct value-added (DVA) cofinancing amounted to \$1.65 billion for 101 projects, of which \$1.57 billion was for 25 investment projects and \$84.2 million was for 76 technical assistance projects. Cumulative DVA cofinancing for the period 1970–2008 amounted to \$15.74 billion for 1,221 projects, of which \$14.97 billion was for 305 investment projects and \$772.65 million was for 916 technical assistance projects.

Cofinancing with Hong Kong, China from 1 January 2004 to 31 December 2008 comprised the following.

Investment Project:	1 project, cofinancing of \$6.75 million
Commercial:	1 project, cofinancing of \$6.75 million

## Trust Fund Agreements

Trust funds are key instruments to mobilize and channel grants from external sources to finance technical assistance and components of investment projects. They play an important role in complementing ADB's own grant resources. So far, bilateral, multilateral, and private sector partners have contributed more than \$2.0 billion in grants to ADB operations. Initially, trust funds were established through single-donor channel financing agreements targeting numbers of specific sectors. Over time, ADB has been increasingly switching to multidonor trust funds covering thematic issues. A more recent development is the establishment of trust funds under theme-focused umbrella initiatives called financing partnership facilities, which support priority areas in ADB Strategy 2020, such as water, clean energy, and regional cooperation and integration.

## Loans, Technical Assistance, and Grants

Hong Kong, China received only five loans from ADB, totaling \$101.5 million. All the loans were from ADB's ordinary capital resources. It has not borrowed from ADB since 1981. No technical assistance has been provided to Hong Kong, China.

The five loans given were the following.

Project	Amount (\$ million)	Date Approved
Sea Water Desalting	21.5	6 April 1972
Sha Tin Sewage Treatment	20.0	9 October 1975
Sha Tin Urban Development (Housing)	20.5	14 April 1977
Sha Tin Hospital-Polyclinic	19.5	14 September 1978
Second Sha Tin Urban Development	20.0	28 February 1980
<b>TOTAL</b>	<b>101.5</b>	

## Share of ADB's Procurement Contracts

Each year, ADB provides loans to fund projects and activities in its Asian and Pacific developing members and several billion US dollars' worth of contracts to procure goods and consulting services.

Procurement contracts for goods and works, and consulting services under loan and technical assistance operations totaled \$6.97 billion in 2007 and \$7.52 billion in 2008. Cumulative procurement as of 31 December 2008 was \$92.83 billion. Most contracts were awarded on the basis of international competition, which is open to firms and individuals from any ADB member country, regional or nonregional.

### Hong Kong, China's share of procurement contracts, 2007–2008 Loans (project and program loans combined) and technical assistance based on nationality of contractor

Item	2007		2008		Cumulative (as of 31 Dec 2008)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods and Works	12.65	0.19	7.86	0.11	768.95	0.90
Consulting Services	4.14	1.26	3.58	0.94	78.35	1.13

## Contractors/Suppliers Involved in ADB Projects

### Contractors/Suppliers from Hong Kong, China involved in ADB loan projects, 1 January 2004–31 December 2008

Contractor/Supplier	Sector	Contract Amount (\$ million)
CSCHK-Soma JV	Transport and Communications	46.66
Yardway, Ltd.	Transport and Communications	9.70
World Tender Industrial, Ltd.	Transport and Communications	6.23
Franco Pacific Ventures Company, Ltd.	Energy	4.22
Rich Focus Development Company, Ltd.	Multisector	3.78
Atal Engineering, Ltd.	Water Supply, Sanitation, and Waste Management	3.47
Cheerglory Traders, Ltd.	Multisector	3.32
View Sino International Company, Ltd.	Multisector	1.95
Latkeen, Ltd.	Transport and Communications	1.41
ITT Flygt (Hong Kong), Ltd.	Water Supply, Sanitation, and Waste Management	0.90

### Investment project cofinanced with Hong Kong, China, 1 January 2004–31 December 2008

Country	Project	ADB Amount <sup>a</sup> (\$ million)	Cofinancing Amount (\$ million)	Type of Cofinancing <sup>b</sup>
China, People's Republic of	Municipal Natural Gas Infrastructure Development	50.00	6.75	C

<sup>a</sup> Loan, grant, or blend.

<sup>b</sup> C = commercial cofinancing.

## Consultants Involved in ADB Projects

As of 31 December 2008, 10,330 consultant contracts were awarded under ADB loan projects worth \$4.17 billion, of which 21 contracts were awarded to consultants from Hong Kong, China worth \$19.6 million.

### Top consulting firms from Hong Kong, China involved in ADB loan projects, 1 January 2004–31 December 2008

Consultant	Number of Times Contracted	Contract Amount (\$ million)
Halcrow China, Ltd.	2	3.79
International Securities Consultancy	1	1.69
WSP Hong Kong, Ltd.	1	1.67
Maunsell Environmental Management (HKG)	2	0.59
Wilbur Smith Associates, Incorporated (HKG)	1	0.27
Scott Wilson, Ltd.	1	0.17

From 1 January 1985 to 31 December 2008, 18,104 consultant contracts were awarded under ADB technical assistance projects worth \$2.33 billion, of which 165 contracts were awarded to consultants from Hong Kong, China worth \$54.8 million.

### Top consultants (individual consultants and consulting firms) from Hong Kong, China involved in ADB technical assistance projects, 1 January 2004–31 December 2008

Consultant	Number of Times Contracted	Contract Amount (\$ million)
Metcalfe and Eddy, Ltd. – HKG	7	4.03
Halcrow China, Ltd.	5	3.07
Hong Kong Individual Consultants*	22	1.74
MVA Asia/MVA Hong Kong	1	1.64
International Securities Consultancy, Ltd.	3	1.40
Scott Wilson (Hong Kong), Ltd.	2	1.19
GHK Hong Kong, Ltd.	2	0.84
Camp Dresser and McKee International, Inc.	1	0.51
SMEC Asia Limited	1	0.50
MTR Corporation	1	0.49
Ernst and Young Advisory Services, PT	2	0.26

\* Consultant may have one or more contracts within the period covered.

## Depository Libraries

ADB's Depository Library Program was established in response to increasing public interest in the activities of multilateral development institutions. Many ADB documents available to the public are stored in 157 depository libraries worldwide.

### ADB depository libraries in Hong Kong, China

Host Institution	Contact Information
Chinese University of Hong Kong	Colin Storey, University Librarian Sha Tin, New Territories Hong Kong, China Tel +852 2609 7318 storey@cuhk.edu.hk
Hong Kong Central Library	Jim Chang, Senior Librarian Central Reference Library 66 Causeway Road, Causeway Bay Hong Kong, China Tel +852 2921 0210 Fax +852 2881 5251 jhychang@lcsd.gov.hk
Hong Kong Public Libraries	Librarian (English Processing) Special Collection Technical Processing Unit 9/F, Sheung Wan Municipal Services Building 345 Queen's Road Central Sheung Wan, Hong Kong, China www.hkpl.gov.hk
University of Hong Kong Libraries	Enquiry Reference Pokfulam Road, Hong Kong, China hkulref@hkucc.hku.hk

## ADB Governor

**Mr. John Tsang Chun-wah**, Financial Secretary, is the Governor for Hong Kong, China in ADB.

## ADB Alternate Governor

**Mr. Joseph Yam, GBS, JP**, Chief Executive, Hong Kong Monetary Authority, is the Alternate Governor for Hong Kong, China in ADB.

## ADB Executive Director

**Mr. Phil Bowen** is the ADB Executive Director for Hong Kong, China. Mr. Bowen, who is from Australia, was Deputy Secretary and Head of the Budget Group of the Department of Finance and Administration before joining ADB.

## ADB Alternate Executive Director

**Mr. Dereck Rooker-Smith** is the ADB Alternate Executive Director for Hong Kong, China. Mr. Rooker-Smith, who is from Australia, was previously an Assistant Director General of the Australian Agency for International Development (AusAID).

## ADB Executive Director's Advisors

**Mr. Harry Kuma** (who is from the Solomon Islands) and **Ms. Agnes Cheung** (who is from Hong Kong, China), together with the Executive Director and Alternate Executive Director, also provide technical advice and assist interested parties of the constituency member countries in their contacts with ADB.

## Constituency Represented

The constituency that Executive Director Bowen and Alternate Executive Director Rooker-Smith represent on ADB's Board of Directors also includes Australia, Azerbaijan, Cambodia, Georgia, Kiribati, Federated States of Micronesia, Nauru, Palau, Solomon Islands, and Tuvalu.

## ADB Staff Members

As of 31 December 2008, there were three professional staff members from Hong Kong, China in ADB (1 man and 2 women), which represents 0.34% of the total professional staff.

## Annual Meeting

ADB's 25<sup>th</sup> Annual Meeting was held in Hong Kong, China on 4–6 May 1992.

## ADB Headquarters

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