

# Asian Development Bank & Republic of Korea

## 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.

The Republic of Korea is the eighth largest shareholder. It has contributed \$2.76 billion in capital subscription and \$230.13 million to special funds since joining in 1966.

Companies and consultants from the Republic of Korea have been awarded \$4.12 billion in procurement contracts (based on nationality of contractor) on ADB-financed projects since 1967.

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

The Republic of Korea is the sixth largest shareholder in ADB among its regional members. Overall, the Republic of Korea is the eighth largest shareholder.

Number of shares held:	178,246 (5.03% of total shares)
Votes:	191,478 (4.32% of total membership, 6.64% of total regional membership)
Overall capital subscription:	\$2.76 billion
Paid-in capital subscription:	\$193.18 million

### Contributions to Special Funds Resources

The Republic of Korea 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):	\$220.13 million
Contributions to the TASF (committed):	\$10.00 million

### Loans, Technical Assistance, and Grants

No loans, technical assistance, or grants were approved in 2008. Cumulative ADB lending to the Republic of Korea, as of 31 December 2008, was \$6.34 billion.

#### Breakdown of cumulative ADB lending to the Republic of Korea as of 31 December 2008

Sector	Loan (no.)	Loan Amount (\$ million)	%
Finance	10	4,285.0	67.6
Industry and Trade	21	632.5	10.0
Water Supply, Sanitation, and Waste Management	17	484.3	7.6
Transport and Communications	11	459.6	7.3
Energy	8	197.4	3.1
Agriculture and Natural Resources	7	138.3	2.2
Education	4	104.7	1.7
Multisector	3	36.6	0.6
<b>TOTAL</b>	<b>81</b>	<b>6,338.3</b>	<b>100.0</b>

## 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 Arrangement

- Memorandum of Understanding on Enhancements to Cofinancing Arrangements between Ministry of Strategy and Finance of the Republic of Korea and ADB  
Cumulative commitment: \$500.0 million over 3 years
- Memorandum of Understanding on Cofinancing Arrangements between ADB and Korea Development Bank  
Cumulative commitment: \$500.0 million over 3 years
- Supplemental Memorandum of Understanding on Enhancements to Cofinancing Arrangements between ADB and the Export–Import Bank of Korea  
Cumulative commitment: \$2.5 billion over 3 years

Cofinancing with the Republic of Korea from 1 January 2004 to 31 December 2008 comprised the following.

Investment Projects:	3 projects, cofinancing of \$28.00 million
Commercial:	2 projects, cofinancing of \$27.50 million
Grant:	1 project, cofinancing of \$0.50 million
Technical Assistance:	15 projects, cofinancing of \$7.15 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.

#### Single-Donor Trust Fund

- Memorandum of Understanding on Channel Financing for the e-Asia and Knowledge Partnership Fund – established in 2006 for projects that will contribute to economic and social development in ADB's developing member countries by (i) reducing the digital divide; (ii) promoting the full access to information, communication, and technology; and (iii) sharing experience, information, and knowledge in the Asia and Pacific region

Cumulative commitment: \$20.0 million

## 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.

### Republic of Korea'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	79.56	1.20	288.11	4.03	4,055.15	4.72
Consulting Services	0.14	0.04	9.53	2.50	68.07	0.98

### Investment projects cofinanced with the Republic of Korea, 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	13.50	C
India	NTPC <sup>c</sup> Capacity Expansion Financing Facility	75.00	14.00	C
Mongolia	Customs Modernization	5.00	0.50	G

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

<sup>b</sup> C = commercial cofinancing, G = grant cofinancing.

<sup>c</sup> NTPC = National Thermal Power Corporation, Ltd.

## Contractors/Suppliers Involved in ADB Projects

### Contractors/suppliers from the Republic of Korea involved in ADB loan projects, 1 January 2004–31 December 2008

Contractor/Supplier	Sector	Contract Amount (\$ million)
Hyundai Engineering Co., Ltd.	Transport and Communications	299.24
Samwhan Corporation	Transport and Communications	184.59
Ssangyong Engineering and Construction Co., Ltd.	Transport and Communications	96.38
LG International	Energy	23.76
EFMC (South Korea)	Agriculture and Natural Resources	5.57
Samsung Engineering Co., Ltd.	Energy	5.50
Hanshin Engineering and Construction Co., Ltd.	Water Supply, Sanitation, and Waste Management	5.46
Daewoo International	Energy	4.90
Shindong Enercom Inc.	Water Supply, Sanitation, and Waste Management	1.26
Korea Workforce Consulting International Inc.	Education	1.06

## 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 62 contracts were awarded to consultants from the Republic of Korea worth \$57.5 million.

### Top consulting firms from the Republic of Korea involved in ADB loan projects, 1 January 2004–31 December 2008

Consultant	Number of Times Contracted	Contract Amount (\$ million)
Dongshin Engineering and Consultants Co., Ltd.	2	5.85
Korea Consultants International	2	4.34
Korea Electric Power Co.	3	2.71
Korea Trade Network Co., Ltd. (KTNET)	1	0.48
HRD Consulting Korea	1	0.04

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 122 contracts were awarded to consultants from the Republic of Korea worth \$8.8 million.

### Top consultants (individual consultants and consulting firm) from the Republic of Korea involved in ADB technical assistance projects, 1 January 2004–31 December 2008

Consultant	Number of Times Contracted	Contract Amount (\$ million)
Korean Individual Consultants*	20	1.06
Kyung Hee University	1	0.35

\* 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 the Republic of Korea

Host Institution	Contact Information
Ewha Women's University	Ji-Yeon Park International Information Center 11-1 Daehyun-Dong, Seodaemun-Gu, Seoul 120-750 Republic of Korea Tel +82 2 3277 3647 Fax +82 2 3277 3648 gsisic@ewha.ac.kr
Jeong-Dock Public Library	Acquisition and Arrangement Department 1 Hwa Dong Jong-Ro Gu Seoul 110-210 Republic of Korea
National Assembly Library of the Republic of Korea	Mi-kyung Lim, Chief Acquisition and Exchange Division 1 Yoido-dong, Youngdeungpo-gu Seoul 150-703, Republic of Korea Tel +82 2 788 4179 Fax +82 2 788 4295 cdc01@nanet.go.kr
Sejong University Library	98 Kunja-Dong, Kuangjin-ku Seoul 143-747, Republic of Korea Tel +82 2 3408 3074 Fax +82 2 3408 3559 leesuh@sejong.ac.kr
The Export-Import Bank of Korea	Young-ae Chung, Librarian 16-1, Yoido-dong, Youngdeungpo-gu Seoul 150-010, Republic of Korea Tel/Fax +82 2 3779 6971 young33@koreaexim.go.kr
The National Library of the Republic of Korea	Kyung Sang Kwon, Director General 60-1 Panpo-Dong, Seocho-Gu Seoul 137-702, Republic of Korea Tel +82 2 590 0738 Fax +82 2 590 0650 exchange@mail.nl.go.kr

## ADB Governor

**The Honorable Jeung-Hyun Yoon**, Minister of Strategy and Finance, is the Governor for the Republic of Korea in ADB.

## ADB Alternate Governor

**Mr. Seongtae Lee**, Governor, The Bank of Korea, is the Alternate Governor for the Republic of Korea in ADB.

## ADB Executive Director

**Mr. Kyung-Hoh Kim** is the ADB Executive Director for the Republic of Korea. Mr. Kim, who is from the Republic of Korea, was Chief Advisor of the National Assembly for Finance and Economy. Prior to this position, Mr. Kim was Director General of the Public Relations Office, Ministry of Finance and Economy.

## ADB Alternate Executive Director

**Mr. James Tsuen-Hua Shih** is the ADB Alternate Executive Director for the Republic of Korea. Mr. Shih, who is from Taipei,China, was Deputy Director General, Department of Economic Research, Central Bank of the Republic of China (Taiwan), Taipei,China. Prior to this position, Mr. Shih was Associate Research Fellow, Chung-Hua Institution for Economic Research, Taipei,China.

## ADB Executive Director's Advisors

**Mr. Jaehoon Kim** (who is from the Republic of Korea) and **Ms. Nancy Wells** (who is from Vanuatu), together with the Executive Director and Alternate Executive Director, also provide technical advice and assist interested parties of constituency member countries in their contacts with ADB.

## Constituency Represented

The constituency that Executive Director Kim and Alternate Executive Director Shih represent on ADB's Board of Directors also includes Papua New Guinea; Sri Lanka; Taipei,China; Uzbekistan; Vanuatu; and Viet Nam.

## ADB Staff Members

As of 31 December 2008, there were 36 professional staff members from the Republic of Korea in ADB (28 men and 8 women), which represents 4.12% of the total professional staff, including five senior staff members.

## Annual Meetings

ADB's third Annual Meeting was held in Seoul on 9–11 April 1970; the 37<sup>th</sup> Annual Meeting was held in Jeju Island on 15–17 May 2004.

## ADB Headquarters

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