

# ASIAN DEVELOPMENT BANK

R52-82  
21 May 1982

## THIRD REPLENISHMENT OF THE ASIAN DEVELOPMENT FUND (ADF IV)

1. The Bank's initial proposals for the third replenishment of the Asian Development Fund were outlined in Working Paper 3-81 of 1 May 1981, entitled "Third Replenishment of the Asian Development Fund (ADF IV)", which was reviewed by the Board on 21 May 1981 and issued, with some modifications, to the ADF donor countries. In this paper, it was proposed that in order to cover the requirements of the Bank's projected concessional lending program for the 4-year period from 1983 to 1986, the Bank would need a replenishment of the ADF in a total amount equivalent to \$4.1 billion.
2. On the basis of these proposals, replenishment arrangements were discussed and negotiated at the meetings of representatives of the donor countries held in Geneva (7 July 1981), Canberra (2 November 1981), Paris (4 February 1982), Washington, D.C. (2-3 April 1982) and Manila (26-27 April 1982). The Board has been informed of the outcome of the discussions of these meetings.
3. The final scheme which emerged at the Manila meeting involves a replenishment of about \$3.204 billion to be provided by all the developed member countries. Although this level of replenishment is substantially less

than the amount initially proposed by the Bank, it may be regarded as the best that can be achieved under the present circumstances considering the economic and financial difficulties currently faced by donor countries.

4. The Board has also been informed that some developing member countries have previously indicated their intentions to make modest contributions to ADF IV in support of the Bank's concessional lending program. It has been confirmed that four developing member countries are willing to make contributions to ADF IV, and the total amount of such contributions may be around \$9 million.<sup>1/</sup>

5. Attached is a draft Report of the Board of Directors to the Board of Governors, together with a draft Resolution of the Governors, concerning the proposed replenishment. The draft Report explains the main features of the replenishment scheme, and the draft Resolution sets out the terms and conditions of the proposed replenishment. The draft Resolution was reviewed by the donor countries and accepted at the Manila meeting.

6. It is recommended that the Board of Directors agree to submit the attached Report and the draft Resolution for consideration and adoption by the Board of Governors. It is also recommended that this matter be submitted to the Board of Governors under the special procedure provided in Section 3 of the By-Laws, with a request for a vote by cable within thirty days of the date of such request.

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1/ One of these developing member countries, though having confirmed its intention to make a contribution to ADF IV, has not yet been able to indicate the amount of its contribution. It is expected that this amount will be made known to the Bank by the time of Board consideration of this draft Report.