



Treaty Series No. 82 (1970)

Exchange of Letters

regarding a Contribution by the
Government of the United Kingdom of
Great Britain and Northern Ireland to the
Consolidated Special Funds of the
Asian Development Bank

Manila, 28 May 1970

[The Agreement entered into force on 28 May 1970]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
September 1970*

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**EXCHANGE OF LETTERS
REGARDING A CONTRIBUTION BY THE GOVERNMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND TO THE CONSOLIDATED SPECIAL
FUNDS OF THE ASIAN DEVELOPMENT BANK**

No. 1

*Her Majesty's Ambassador at Manila to the President of the Asian
Development Bank*

*British Embassy,
Manila.*

Sir,

28 May, 1970.

I have the honour to confirm the announcement made by the Alternate Governor for the United Kingdom at the Third Annual Meeting of the Board of Governors of the Asian Development Bank that Her Majesty's Government in the United Kingdom wish to make a contribution to the Consolidated Special Funds of the Bank in the sum and upon the terms set out hereinafter.

- (a) The Contribution will be in the sum of £6 million and shall be allocated to the Multi-Purpose Special Fund.
- (b) The Special Funds Rules and Regulations adopted by the Bank on 17 September 1968 (hereinafter referred to as "the Regulations") shall apply except as otherwise provided herein.
- (c) Her Majesty's Government in the United Kingdom (hereinafter referred to as "the Contributor") will make payment of the Contribution in such amounts as the Bank may request from time to time as may be necessary to enable the Bank to enter into appropriate arrangements for the financing of:
 - (i) the cost of goods (including shipping and insurance costs in accordance with sub-paragraph (h) hereof) and services eligible for financing from the Contribution; and
 - (ii) administrative expenses charged in accordance with Section 7.01 of the Regulations.
- (d) Requests for payments shall be made by the Bank to the Contributor in such form and in accordance with such procedures as shall be agreed between the Contributor and the Bank.
- (e) The Contribution shall be used in accordance with Section 4.02 of the Regulations except that the Contribution shall not be used for technical assistance on a non-reimbursable basis.
- (f) The Bank may provide financing from the Contribution in accordance with Section 4.04 of the Regulations, provided that the Contribution may be used to meet local expenditures only in special circumstances and in amounts to be agreed upon between the Contributor and the Bank.
- (g) Subject to sub-paragraph (f), the Contribution may be used:
 - (i) for procurement in the United Kingdom or in developing member countries of the Bank of goods produced in, and services supplied from, the United Kingdom;

- (ii) for procurement in developing member countries of the Bank of goods produced in, and services supplied from those countries;
 - (iii) for procurement in such countries as, in the opinion of the Bank and the Contributor, have made contributions to any Special Fund of the Bank (other than the Technical Assistance Special Fund) on conditions relating to procurement not less liberal as a whole than those governing the Contribution, of goods produced in, and services supplied from, those countries.
- (h) The Contribution may be used for financing shipping and insurance costs only of goods eligible for financing from the Contribution. All shipment of goods financed from the Contribution shall be in keeping with the principle of free circulation of ships in international trade in free and fair competition.
- (i) All monies received by the Bank in repayment of loans financed from the Contribution and all income derived from the Contribution (after meeting any administrative expenses charged thereto pursuant to Section 7.01 of the Regulations) shall be credited to and form part of the Contribution and shall be available for further use as part of the Multi-Purpose Special Fund, free of the requirements or restrictions contained in sub-paragraph (e) to (h) hereof.
- (j) In addition to the information contained in the reports provided for in the Regulations, the Bank shall from time to time furnish the Contributor with such reports as the latter may reasonably request with respect to the Contribution, and special operations financed therefrom.
- (k) In carrying out special operations financed or proposed to be financed from the Contribution, the Bank will consult with the Contributor on those matters related to such operations as shall be agreed between the parties to be of substantial importance.
- (l) The Contributor may withdraw all or part of the Contribution and the accrued resources derived therefrom in accordance with the provisions of Section 8.03 of the Regulations.

I have the honour to propose that this letter and your reply to the effect that the arrangements set forth herein are satisfactory, shall constitute an agreement between Her Majesty's Government in the United Kingdom and the Bank which shall enter into force on the date of your reply.

I have the honour to be,

Sir,

Your obedient Servant,

J. N. O. CURLE

Her Britannic Majesty's Ambassador

*Signed for and on behalf of the
Government of the United Kingdom
of Great Britain and
Northern Ireland.*

No. 2

*The President of the Asian Development Bank to Her Majesty's
Ambassador at Manila*

Asian Development Bank.

28 May 1970.

Your Excellency,

I have the honour to acknowledge receipt of your letter of 28 May 1970 informing the Asian Development Bank of the offer of Her Majesty's Government in the United Kingdom to make a contribution of £6 million to the Consolidated Special Funds of the Bank to be allocated to the Multi-Purpose Special Fund.

I have been authorized by the Board of Directors to accept the offer as set out in your letter. The Board wishes me to convey our appreciation of this contribution.

Please accept, Excellency, the assurances of my highest consideration.

TAKESHI WATANABE

President

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