

SCMP 22 May 1986

\$16.6m²⁶ goes to the ADB

The Finance Committee yesterday approved \$16.6 million as Hongkong's commitment to the paid-in portion of the third general capital increase of the Asian Development Bank (ADB).

The sum forms part of the total approved financial commitment of \$331.8 million arising from a subscription by Hongkong to the bank's capital increase.

The remaining financial commitment, amounting to \$315.2 million, is a contingent liability of the callable shares which are subject to call only as and when required by the ADB to meet its financial obligations.

In the history of the ADB, there has not been a call on the callable shares.

The ADB's third general capital increase, which the bank approved in April 1983, is aimed at sustaining its development lending activities for 1983-1987.

Hongkong has been a member of the ADB since March 1969 and it is the only international financial organisation of which Hongkong is a member in its own right.

A Government spokesman said subscription to the bank's third general capital increase was essential if Hongkong was to fulfil its role as a member of the bank.

"It is also a clear demonstration that Hongkong intends to continue as a member in this international organisation after 1997," he said.