

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



Established in 1966, ADB has committed \$275.82 billion in loans to the vision of an Asia and Pacific region free of poverty. The Republic of Korea is a founding member of ADB.

REPUBLIC OF KOREA: SHAREHOLDING AND VOTING POWER

Number of shares held:
534,738 (5.026% of total shares)

Votes:
574,435 (4.320% of total membership,
6.641% of total regional membership)

Overall capital subscription:
\$7.44 billion

Paid-in capital subscription:
\$371.91 million

REPUBLIC OF KOREA

The Asian Development Bank (ADB) is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration.

Established in 1966, it is owned by 68 members—49 from the region—who have committed \$275.82 billion in loans to the vision of a region free of poverty.

Despite the region's many successes, it remains home to the majority of the world's poor.

The Republic of Korea has contributed \$7.44 billion in capital subscription as of 31 December 2018. It has contributed and committed \$699.5 million to Special Funds since joining in 1966.

Companies and consultants from the Republic of Korea have since been awarded \$12.57 billion in procurement contracts on ADB-financed projects.

In 2018, the lending volume was \$19.88 billion (126 projects), with technical assistance at \$241.2 million (280 projects) and grant-financed

projects at \$1.42 billion (44 projects). In addition, \$14 billion was generated in commitments from direct value-added cofinancing.

From 1 January 2014 to 31 December 2018, ADB's annual lending volume averaged \$15.99 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged \$583.95 million and \$184 million in technical assistance over the same period.

As of 31 December 2018, the cumulative totals excluding cofinancing were \$275.82 billion in loans for 3,090 projects in 44 countries, \$9.38 billion in 374 grants, and \$4.52 billion in technical assistance grants, including regional technical assistance grants.

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

With headquarters in Manila, ADB has 32 offices around the world with 3,381 staff from 60 members as of 31 December 2018.

CONTRIBUTIONS TO SPECIAL FUNDS RESOURCES

The Republic of Korea has contributed to the [Asian Development Fund \(ADF\)](#), which was ADB's window for concessional lending to its borrowing members up to 31 December 2016 and retaining the ADF support as a grant-only operation from 1 January 2017; the [Technical Assistance Special Fund \(TASF\)](#), which provides grants to borrowing members to help prepare projects and undertake technical or policy studies; and the [Asian Development Bank Institute \(ADBI\)](#).

Contributions:
ADF (committed): \$643.05 million
TASF (committed): \$50.80 million
ADBI (committed): \$5.65 million



COFINANCING

ADB arranges cofinancing from bilateral and multilateral sources, export credit agencies, and commercial sources in the form of official loans and grants, other concessional cofinancing, B loans, risk transfer arrangements, parallel loans and equity, guarantees, and cofinancing for transactions under ADB's [Trade Finance Program](#). Cofinancing brings additional resources to ADB's project financing. In 2018, total direct value-added cofinancing commitments amounted to \$14 billion for 175 projects, of which \$13.87 billion was for 76 investment projects and \$129.89 million was for 99 technical assistance projects. Cumulative direct value-added cofinancing commitments for the period 1970–2018 amounted to \$97.97 billion for 2,697 projects, of which \$95.73 billion was for 914 investment projects and \$2.24 billion was for 1,783 technical assistance projects.

Cofinancing commitments with the Republic of Korea from 1 January 2014 to 31 December 2018 comprised the following:

Projects

23 projects, cofinancing of \$1.06 billion

- Official Loans: 10 projects, cofinancing of \$708.12 million
- Official Grants: 3 projects, cofinancing of \$9.5 million
- Commercial Cofinancing: 10 projects, cofinancing of \$347.48 million

Technical Assistance

- Official Grants: 43 projects, cofinancing of \$23.45 million

Trust Funds

Trust funds are key instruments to mobilize and channel external sources to finance technical assistance and components of investment projects. They play an important role in complementing ADB's own funding resources. Initially, trust funds were established through single-donor channel financing agreements targeting

a number of specific sectors. ADB has been increasingly switching to multi-donor 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's long-term strategic framework, [Strategy 2030](#), such as water, clean energy, regional cooperation and integration, urban sector financing, and health.

The Republic of Korea has contributed to the following trust funds:

Single-Donor Trust Fund

- [e-Asia and Knowledge Partnership Fund](#)—established in 2006 to support projects that will contribute to poverty reduction and support the economic and social development process in DMCs by helping to reduce the digital divide and promoting full access to information and communication technology in Asia and the Pacific; the fund has two windows: the e-Asia Program, which promotes information and communication technology, and

Investment Projects Cofinanced with the Republic of Korea, 1 January 2014–31 December 2018

Country	Project	ADB Amount ^a (\$ million)	Cofinancing Amount (\$ million)	Type of Cofinancing ^b
Bangladesh	Railway Sector Investment Program – Tranche 4	50.00	22.00	L
	Secondary Education Sector Investment Program – Tranche 1 (Supplementary)	90.00	39.00	L
	Secondary Education Sector Investment Program – Tranche 2	185.00	76.02	L
	Skills for Employment Investment Program—Tranche 2	100.00	8.50	G
	South Asia Subregional Economic Cooperation Chittagong-Cox's Bazar Railway Project, Phase 1 – Tranche 1	300.00	99.04	L
	South Asia Subregional Economic Cooperation Railway Connectivity: Akhaura-Laksam Double Track	505.00	192.00	L
Cambodia	Southwest Transmission Grid Expansion	350.00	0.50	G
	Fourth Greater Mekong Subregion Corridor Towns Development	78.50	0.50	G
	Rural Roads Improvement II	54.00	41.00	L
People's Republic of China	Rural Roads Improvement III	60.00	60.00	L
	Loan Program for Clean Bus Leasing – Far East Horizon Limited	100.00	13.00	C
	Wastewater Treatment and Reuse	120.00	40.00	C
	Urban–Rural Integration Water Distribution	100.00	46.00	C
	Songhua River Basin Water Pollution Control and Management Project Private Sector Facility Phase 2	95.00	10.50	C
	Dynagreen Waste-to-Energy Project	100.00	12.04	C
Indonesia	Sustainable Dairy Farming and Milk Safety Project	62.50	30.07	C
	Tangguh Liquefied Natural Gas Expansion Project	400.00	50.00	C
Lao People's Democratic Republic	Pakse Urban Environmental Improvement	27.50	53.06	L
Myanmar	Power Transmission Improvement – Additional Financing	80.00	100.00	L
Pakistan	Gulpur Hydropower	65.00	88.75	C
Sri Lanka	Skills Sector Enhancement Program	100.00	26.00	L
Viet Nam	Mainstreaming Small and Medium-Sized Enterprises Lending Project	200.00	20.00	C
Regional	Trade Finance Program ^c	14.12	37.12	C

^a Loan, grant, or blend.

^b C = commercial cofinancing, G = official grant cofinancing, L = official loan cofinancing.

^c The \$1 billion limit for ADB's Regional Trade Finance Program (TFP), approved by the Board of Directors in 2009, is the maximum exposure the TFP can assume at any one point in time. This limit has never been breached. Although the TFP exposure exceeded \$1 billion annually from 2014 to 2018, the TFP limit was not breached at any one point in time because TFP transactions tend to be short—on average less than 180 days—and the TFP limit can revolve (be reused) within a year. In addition, the TFP distributes risk exposures to various partners that leverage its capital resources.

Republic of Korea's Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	2017		2018		Cumulative (as of 31 Dec 2018)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	637.18	6.25	70.83	0.56	12,091.37	6.69
Consulting Services	53.52	7.17	99.28	14.26	475.30	3.74
Total Procurement	690.70	6.31	170.11	1.28	12,566.67	6.49

the Knowledge Partnership Program, which fosters information sharing and knowledge

- » Cumulative commitment: \$102 million

Multi-Donor Trust Fund

- Carbon Market Initiative: Future Carbon Fund—established in 2008 to help developing countries undertake energy efficiency, renewable energy, and other projects to reduce greenhouse gas emissions
 - » Cumulative commitment: \$20 million

Cofinancing Arrangement

- Memorandum of Understanding on Enhancements to Cofinancing Arrangements between the Ministry of Economy and Finance of the Republic of Korea and ADB—signed in 2008; renewed in 2011, 2015, and 2018
 - » Total commitment: \$650 million over 3 years
- Memorandum of Understanding on Cofinancing Arrangements between ADB and Korea Development Bank—signed in 2008, renewed in 2011 and 2014
 - » Total commitment: \$500 million over 3 years

- Supplemental Memorandum of Understanding on Enhancements to Cofinancing Arrangements between ADB and the Export–Import Bank of Korea—signed in 2008; renewed in 2011, 2014, and 2017 (supplemental to the Memorandum of Understanding between ADB and the Export–Import Bank of Korea on Establishing Operational Arrangements signed in 2005)
 - » Total commitment: \$2.5 billion over 3 years

NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides financial assistance to nonsovereign projects and financial intermediaries. Total commitments from ADB's own funds (in equity and direct loans) in 2018 amounted to \$3.14 billion for 32 transactions in economic and social infrastructure, the finance sector, and agribusiness. ADB also actively mobilizes cofinancing from commercial and concessional sources. In 2018, ADB mobilized \$3.17 billion of long-term cofinancing and \$3.99 billion of cofinancing in trade finance, microfinance, and supply chain finance programs. Total outstanding balances and commitments of nonsovereign transactions funded by ADB's own resources stood at \$12.7 billion as of 31 December 2018.

In addition to the Korea Development Bank and the Export–Import Bank of Korea, other entities located in the Republic of Korea have collaborated with ADB in the financing of various nonsovereign projects, including a water project in the People's Republic of China (PRC); hydropower projects in Pakistan; and a transport project in the PRC. These include KEB Hana, Kookmin Bank, Korea Exchange Bank, Woori Bank, Korea South–East Power Company, Lotte Chemical, Daelim Industrial, Daewoo Engineering and Construction, and Korea Water Resources Corporation.

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its DMCs; and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Share of ADB's Procurement Contracts

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works,

Top 5 Contractors/Suppliers from the Republic of Korea Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2014–31 December 2018

Contractor/Supplier	Sector	Contract Amount (\$ million)
Hyundai Motor Group	ENE, TRA	520.74
Daewoo Engg. and Const. Co. Ltd. and L&T Ltd. (JV)	TRA	416.82
Posco Engineering and Construction Co. Ltd.	TRA, WUS	201.08
Halla Corp.	TRA	127.31
KT Corp.	ENE	126.89
Others		494.31
Total		1,887.14

ENE = energy, TRA = transport, WUS = water and other urban infrastructure and services.

Top 5 Consultants from the Republic of Korea Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2014–31 December 2018

Consultant	Sector	Contract Amount (\$ million)
Dohwa Engineering Co. Ltd.	TRA, WUS	68.22
Korea Consultants International Co. Ltd.	TRA	59.03
Pyunghwa Engineering Consultants Ltd.	TRA	40.53
Dongsung Engineering Co. Ltd.	TRA	31.39
Korea Engineering Consultants Corp.	ANR, TRA, WUS	18.18
Individual Consultants		4.68
Others		80.17
Total		302.21

ANR = agriculture, natural resources, and rural development; TRA = transport; WUS = water and other urban infrastructure and services.

and related services under loan and grant operations totaled \$10.2 billion in 2017 and \$12.55 billion in 2018. Cumulative procurement since 1966 has been \$180.86 billion covering 215,461 contracts.

In the Republic of Korea, 1,738 contracts worth \$12.09 billion have been awarded to contractors and suppliers since 1966.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$746.79 million in 2017 and \$696.18 million in 2018. Cumulative procurement since 1966 has been \$12.7 billion covering 59,248 contracts.

In the Republic of Korea, 524 contracts worth \$475.3 million have been awarded to consultants since 1966.



The Kandy–Mahiyangana national highway in central Sri Lanka was upgraded under the ADB-supported National Highways Sector Project.

ADB GOVERNOR

Hong Nam-Ki is the Governor for the Republic of Korea in ADB.

ADB ALTERNATE GOVERNOR

Juyeol Lee is the Alternate Governor for the Republic of Korea in ADB.

ADB DIRECTOR AND ALTERNATE DIRECTOR

In-chang Song (Republic of Korea) is the Director and **Yu-Peng (James) Tseng** (Taipei, China) is the Alternate Director representing the Republic of Korea on the ADB Board of Directors.

ADB DIRECTOR'S ADVISOR

Huingchul Lim (Republic of Korea) and **Bui Quang Trung** (Viet Nam), together with the Director and Alternate Director, also provide technical advice and assist interested parties of the constituency members in their contacts with ADB.

CONSTITUENCY REPRESENTED

The constituency that Director Song and Alternate Director Tseng represent on the ADB Board of Directors also includes Papua New Guinea; Sri Lanka; Taipei, China; Uzbekistan; Vanuatu; and Viet Nam.

ADB STAFF MEMBERS

As of 31 December 2018, there were 71 international staff from the Republic of Korea in ADB (46 men and 25 women), which represents 5.72% of the total international staff, including five senior staff members.

ANNUAL MEETING

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

CONTACTS

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(Please omit the "8" from ADB HQ numbers until Manila numbers change on 8 October 2019.)

Notes:

ADB welcomed Niue as its 68th member in March 2019.

ADB recognizes "Korea" as the Republic of Korea.

Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars.

Data are updated as of 31 December 2018 unless otherwise indicated. Fact sheets are published annually in April.