

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. Japan is a founding member of ADB.

JAPAN: SHAREHOLDING AND VOTING POWER

Number of shares held:
1,656,630 (15.571% of total shares)

Votes:
1,696,327 (12.756% of total membership,
19.612% of total regional membership)

Overall capital subscription:
\$23.04 billion

Paid-in capital subscription:
\$1.15 billion

JAPAN

The Asian Development Bank (ADB) is dedicated to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty.

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 successes, issues that remain to be addressed include poverty and vulnerability, rising inequality, climate change, growing environmental pressures, and large infrastructure deficits.

Japan has contributed \$23.04 billion in capital subscription as of 31 December 2018. It has contributed and committed \$14.83 billion to Special Funds since joining in 1966.

Companies and consultants from Japan have since been awarded \$4.11 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 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

Japan has been the top contributor to ADB's Special Funds such as the Asian Development Fund (ADF), the Asian Development Bank Institute (ADB I), the Technical Assistance Special Fund (TASF), Japan Special Fund (JSF), and the Regional Cooperation and Integration Fund (RCIF).

Contributions (committed):

ADF: \$12.89 billion
ADB I: \$272.36 million
TASF: \$692.02 million
JSF: \$973.77 million
RCIF: \$3.63 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 Japan from 1 January 2014 to 31 December 2018 comprised the following:

Projects

70 projects, cofinancing of \$8.75 billion

- Official Loans: 20 projects, cofinancing of \$3.34 billion
- Official Grants: 34 projects, cofinancing of \$162.8 million
- Official Equity: 4 projects, cofinancing of \$51.28 million
- Commercial Cofinancing: 12 projects, cofinancing of \$5.2 billion

Technical Assistance

- Official Grants: 130 projects, cofinancing of \$181.97 million

A list of projects cofinanced by Japan is available at: www.adb.org/site/cofinancing/japan.

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.

Japan has contributed to the following:

Japan Fund for Poverty Reduction

In 2009, the Japan Fund for Poverty Reduction (JFPR), originally established in 2000, expanded its scope of grant assistance to provide technical assistance grants in addition to project grants. The JFPR is the primary vehicle for regular Japanese technical assistance and grant assistance and the largest single partner trust fund within ADB.

By 31 December 2018, total JFPR funds made available amounted to approximately \$814.09 million. A total of 182 JFPR grant projects (equivalent to \$542.75 million), and 250 JFPR technical assistance projects (equivalent to \$305 million) have been signed.

Details of the JFPR including the list of approved grants is available at: www.adb.org/site/funds/funds/japan-fund-for-poverty-reduction.

Asian Clean Energy Fund

The Asian Clean Energy Fund (ACEF) was established under the Clean Energy Financing Partnership Facility in 2008.

ACEF is a single-donor fund supported by Japan for clean energy projects in ADB's DMCs. Total ACEF funds made available up to 31 December 2018 amounted to approximately \$55.7 million.

Investment Climate Facilitation Fund

The Investment Climate Facilitation Fund (ICFF) was established under the Regional Cooperation and Integration Financing Partnership Facility in 2008.

ICFF is a single-donor fund supported by Japan, and funds made available up to 31 December 2018 amounted to approximately \$31.5 million. It promotes a supportive investment climate, capacity building, and good governance in ADB's DMCs.

Japan Fund for the Joint Crediting Mechanism

The Japan Fund for the Joint Crediting Mechanism (JFJCM) was established in 2015 to promote advanced low-carbon technologies in ADB's eligible DMCs.

The JFJCM is a single-donor fund supported by Japan. Total JFJCM funds

made available up to 31 December 2018 amounted to approximately \$61.97 million.

Japan Scholarship Program

The Japan Scholarship Program (JSP) was established in 1988 to provide an opportunity for well-qualified citizens of DMCs to undertake postgraduate studies in economics, management, science and technology, and other development-related fields at selected educational institutions in Asia and the Pacific.

The JSP is funded by Japan and administered by ADB. Currently, 29 institutions in 10 countries participate in the JSP. Between 1988 and 2018, Japan contributed \$182.3 million. A total of 3,798 scholarships have been awarded to recipients from 37 members. Of the total, 3,441 have already completed their courses. Women have received 1,460 scholarships. An average of 139 new scholarships a year have been awarded during the last 10 years.

More information on JSP is available at: www.adb.org/jsp.

Leading Asia's Private Sector Infrastructure Fund

The Leading Asia's Private Sector Infrastructure Fund (LEAP) was established in March 2016. The fund is an infrastructure cofinancing fund, expected to leverage and complement ADB's existing nonsovereign platform to fill financing gaps and increase access to finance for infrastructure projects in the region. The fund is a single-donor fund support by the Japan International Cooperation Agency (JICA). As of 31 December 2018, JICA commitment to the fund amounted to \$762.13 million.

Multi-Donor Trust Fund

- Afghanistan Infrastructure Trust Fund – established in 2010 to deliver financing for infrastructure development in Afghanistan and to leverage resources through cofinancing with private sector and other development partners
 - » Cumulative commitment: \$127.5 million
- Asia Pacific Project Preparation Facility – established in 2014 to encourage private sector participation in infrastructure by adopting a more consistent and higher-quality approach to public-private partnership (PPP) project preparation development and transaction advice across the region
 - » Cumulative commitment: \$40 million

Japan'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	28.24	0.28	22.26	0.18	3,542.23	1.96
Consulting Services	17.27	2.31	13.18	1.89	567.06	4.47
Total Procurement	45.51	0.42	35.44	0.27	4,109.29	2.12

- High-Level Technology Fund - established in 2017 to promote the integration of high-level technology and innovative solutions in the design and implementation of ADB projects in Asia and the Pacific
 - » Cumulative commitment: \$39.4 million
- Domestic Resource Mobilization Trust Fund - established in 2017 to enhance domestic resource mobilization in ADB's DMCs to support the achievement of Sustainable Development Goals
 - » Cumulative commitment: \$3.9 million
- Cooperation Fund for Regional Trade and Financial Security Initiative - established in 2004 to assist DMCs in establishing effective regimes for regional anti-money laundering and combating the financing of terrorism
 - » Cumulative commitment: \$1 million

Cooperation Agreement

- Memorandum of Understanding for Strategic Partnership for Sustainable and Inclusive Development through Promotion of Quality Infrastructure Investment in Asia and the Pacific between ADB and JICA - signed on 17 December 2015

Based on the Government of Japan's initiative Partnership for Quality Infrastructure, ADB and JICA established a new trust fund—the Leading Asia's Private Infrastructure Fund—at ADB, with \$1.5 billion capitalization from JICA, to stimulate investment in quality private infrastructure projects, including through PPPs. The fund is expected to yield \$6 billion of new private infrastructure investment.

Furthermore, to promote public infrastructure development in the region, ADB and JICA will cofinance \$10 billion in sovereign loans and support long-term investment plans as well as provide necessary technical assistance for preparing and implementing projects, leveraging the comparative advantages of each institution.

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.

The Japan Oil, Gas and Metals National Corporation; Mitsubishi Corporation; INPEX Corporation; JX Nippon; Mitsui and Co.; Sojitz Corporation; and Sumitomo Corporation have equity investments in a liquefied natural gas project in Indonesia, for which a loan is being provided by ADB. ORIX Corporation, the MUFG Bank, Sampo Insurance, and JICA have partnered with ADB for one of the largest private equity funds dedicated to the environment in Asia and the Pacific. ADB has collaborated with many other Japanese entities in providing financing to various nonsovereign transactions in the infrastructure and finance sectors. Among these are Sumitomo Mitsui Banking Corporation, Japan Bank for International Cooperation, Marubeni Corporation, Hitachi Mitsubishi Hydro Corporation, Sawada Holdings, Itochu, Kyuden International Corporation, Kyushu Electric Power, NEC Capital Solutions Limited, Shinsei Bank, Tokyo Electric Power, Fuji Electric, and The Tokyo Star Bank.

Top 5 Contractors/Suppliers from Japan 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)
Ogawa Seiki Co. Ltd.	ENE	27.85
Sumitomo Electric Industries Ltd.	ENE	24.63
Uzushio Electric Co. Ltd.	ENE	22.45
NEC Corp.	ICT	9.79
Mitsubishi Corporation	ENE	7.87
Others		18.69
Total		111.27

ENE = energy, ICT = information and communication technology.

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

Consultant	Sector	Contract Amount (\$ million)
Nippon Koei Co. Ltd.	ANR, ENE, TRA, WUS	30.27
Katahira & Engineers International	TRA	18.16
Padeco Co. Ltd.	ENE, IND, TRA	14.56
Oriental Consultants Co. Ltd.	ANR, FIN, TRA	9.88
UN-Habitat Regional Office for Asia and the Pacific	ANR, WUS	4.12
Individual Consultants		5.79
Others		22.64
Total		105.42

ANR = agriculture, natural resources, and rural development; ENE = energy; FIN = finance; IND = industry and trade; TRA = transport; WUS = water and other urban infrastructure and services.

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its DMCs, and procures goods, works, and consulting services worth several billion dollars. 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,

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 Japan, 4,961 contracts worth \$3.54 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 Japan, 731 contracts worth \$567.06 million have been awarded to consultants since 1966.

ADB PRESIDENTS

Mr. Takeshi Watanabe	24 November 1966–24 November 1972
Mr. Shiro Inoue	25 November 1972–23 November 1976
Mr. Taroichi Yoshida	24 November 1976–23 November 1981
Mr. Masao Fujioka	24 November 1981–23 November 1989
Mr. Kimimasa Tarumizu	24 November 1989–23 November 1993
Mr. Mitsuo Sato	24 November 1993–15 January 1999
Mr. Tadao Chino	16 January 1999–31 January 2005
Mr. Haruhiko Kuroda	1 February 2005–18 March 2013
Mr. Takehiko Nakao	28 April 2013–present

ADB GOVERNOR

Taro Aso is the Governor for Japan in ADB.

ADB ALTERNATE GOVERNOR

Haruhiko Kuroda is the Alternate Governor for Japan in ADB.

ADB DIRECTOR AND ALTERNATE DIRECTOR

Takeshi Kurihara is the Director and **Kenzo Ohe** is the Alternate Director representing Japan on the ADB Board of Directors.

ADB DIRECTOR'S ADVISORS

Hiroyuki Matsuda and **Ayumi Enomoto**, together with the Director and Alternate Director, also provide technical advice and assist interested parties of Japan in their contacts with ADB.

MEMBERS OF SENIOR ADVISORY COUNCILS

Masahisa Fujita, President and Chief Research Officer, Research Institute of Economy, Trade and Industry, is a member of the ADB Institute Advisory Council.

Shin-ichi Ago, Professor of Law at Ritsumeikan University and Professor Emeritus, former Law Dean and Vice-President at Kyushu University, is a member of the ADB Administrative Tribunal.

ADB STAFF MEMBERS

As of 31 December 2018, there were 156 international staff from Japan in ADB (110 men and 46 women), which represents 12.56% of the total international staff, including 29 senior staff members.

ANNUAL MEETING

ADB held its inaugural Annual Meeting in Tokyo on 24–26 November 1966. ADB also held its 20th Annual Meeting in Osaka on 27–29 April 1987, its 30th Annual Meeting in Fukuoka on 11–13 May 1997, its 40th Annual Meeting in Kyoto on 6–7 May 2007, and its 50th Annual Meeting in Yokohama on 6–7 May 2017.



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

CONTACTS

Japanese Representative Office

ADB's Japanese Representative Office is located at Kasumigaseki Building 8F, 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo 100-6008, Japan.

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Notes:

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

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.