



AGREEMENT ESTABLISHING THE ASIAN DEVELOPMENT BANK

The Contracting Parties

Considering the importance of closer economic co-operation as a means for achieving the most efficient utilization of resources and for accelerating the economic development of Asia and the Far East;

Realizing the significance of making additional development financing available for the region by mobilizing such funds and other resources both from within and outside the region, and by seeking to create and foster conditions conducive to increased domestic savings and greater flow of development funds into the region;

Recognizing the desirability of promoting the harmonious growth of the economies of the region and the expansion of external trade of member countries;

Convinced that the establishment of a financial institution that is Asian in its basic character would serve these ends;

Have agreed to establish hereby the Asian Development Bank (hereinafter called the "Bank") which shall operate in accordance with the following

ARTICLES OF AGREEMENT

CHAPTER I

PURPOSE, FUNCTIONS AND MEMBERSHIP

Article 1

PURPOSE

The purpose of the Bank shall be to foster economic growth and co-operation in the region of Asia and the Far East (hereinafter referred to as the "region") and to contribute to the acceleration of the process of economic development of the developing member countries in the region, collectively and individually. Wherever used in this Agreement, the terms "region of Asia and the Far East" and "region" shall comprise the territories of Asia and the Far East included in the Terms of Reference of the United Nations Economic Commission for Asia and the Far East.

Article 2

FUNCTIONS

To fulfil its purpose, the Bank shall have the following functions:

- (i) to promote investment in the region of public and private capital for development purposes;
- (ii) to utilize the resources at its disposal for financing development of the developing member countries in the region, giving priority to those regional, sub-regional as well as national projects and programmes which will contribute most effectively to the harmonious economic growth of the region as a whole, and having special regard to the needs of the smaller or less developed member countries in the region;