

No. 9877

**DENMARK
and
ASIAN DEVELOPMENT BANK**

Contribution Agreement (with schedule and exchange of letters). Signed at Manila on 1 April 1969

Authentic text: English.

Registered by Denmark on 5 September 1969.

**DANEMARK
et
BANQUE ASIATIQUE DE DÉVELOPPEMENT**

**Accord de contribution (avec annexe et échange de lettres).
Signé à Manille le 1^{er} avril 1969**

Texte authentique: anglais.

Enregistré par le Danemark le 5 septembre 1969.

CONTRIBUTION AGREEMENT¹ BETWEEN THE GOVERNMENT OF DENMARK AND THE ASIAN DEVELOPMENT BANK

The Government of Denmark (hereinafter called “the Contributor”), which is desirous as a member country of the Asian Development Bank of further assisting in the development of the developing regional member countries of the said Bank, and

The Asian Development Bank (hereinafter called “the Bank”), which is empowered by its Articles of Agreement to accept the administration of Special Funds which are designed to serve the purpose and come within the functions of the Bank, and pursuant to the Special Funds Rules and Regulations adopted by the Bank on 17 September 1968 (hereinafter called “the Regulations”) has determined that it is prepared to administer Special Funds resources to be called the “Consolidated Special Funds of the Asian Development Bank” (hereinafter called “the Consolidated Special Funds”),

have agreed that Danish Government funds shall be made available to the Bank by the Contributor for inclusion in the Consolidated Special Funds in accordance with the following provisions :

Article I

APPLICATION OF REGULATIONS

Except as otherwise provided herein, the Regulations shall apply to the Contribution made pursuant to this Agreement and accrued resources derived therefrom with the same force and effect as if they were fully set out herein.

Article II

CONTRIBUTION TO CONSOLIDATED SPECIAL FUNDS

Section 1. The Contributor agrees to contribute to the Consolidated Special Funds by making funds available to the Bank (herein called “the Contribution”) in an amount of 15 million Danish Kroner. The Contribution is to be allocated to the Agricultural Special Fund provided for in Section 2.01(a) of the Regulations.

Section 2. An account designated “Asian Development Bank Special Account S” (hereinafter called “the Contribution Account”) shall be opened

¹ Came into force on 1 April 1969 by signature, in accordance with article VIII (1).

with Danmarks National Bank (acting as agent for the Contributor) in favour of the Bank. The Contributor shall ensure that sufficient funds are always available in the Contribution Account to enable the Bank to effect punctual payment for goods and services procured under this Contribution provided that the amounts successively made available to the Bank shall not, in the aggregate, exceed the amount specified in Section 1 of this Article.

Section 3. The Contribution will be free of interest.

Section 4. (a) The Bank shall repay the principal of the Contribution withdrawn from the Contribution Account in accordance with the schedule set forth in Schedule I of this Agreement; provided, however, that such schedule may be amended from time to time by agreement between the Contributor and the Bank as reasonably requested by the Bank (i) to take account of any cancellations pursuant to Article V of this Agreement; (ii) to take account of any adjustments necessitated by the events referred to in sub-paragraphs (c) and (d) of this Section; (iii) to take account of any payments made by the Bank in advance of maturity under sub-paragraph (e) of this Section, except that payments due hereunder shall be made on 1 April and 1 October in each year; and (iv) to take account of any other relevant factors.

(b) The schedules applicable to loans made by the Bank from the Contribution shall not extend beyond 1 October 1993.

(c) The Bank shall use its best endeavours to ensure that recipients of loans made from the Contribution make repayments on due date, and in the event of delay in payment by a recipient shall promptly inform the Contributor of any consequential adjustments to the schedule that may be necessary. Any repayments by the Bank to the Contributor from the amount of any delayed payment received from a recipient shall be made as soon as practicable after receipt by the Bank.

(d) In the event of default by a recipient of a loan made from the Contribution, the Bank shall take such action as it deems appropriate to exercise its rights under the relevant loan contract and shall promptly inform the Contributor of any consequential adjustment of the schedule that may be necessary.

(e) The Bank shall have the right to repay in advance of maturity all or any part of any principal amount of the Contribution.

Section 5. Repayments by the Bank to the Contributor shall be made in Danish Kroner to Danmarks National Bank to the credit of the current account of the Ministry of Finance with that Bank.

Section 6. The Bank may draw upon the Contribution Account mentioned in Section 2 of this Article for a period of three years from the effective date of

this Agreement or for such longer period as may be agreed between the Contributor and the Bank.

Article III

UTILIZATION OF THE CONTRIBUTION

Section 1. Requests for payment under the Contribution shall be made by the Bank to Danmarks National Bank, acting as agent for the Contributor, in such form and in accordance with such procedures as shall be agreed between the Contributor and the Bank.

Section 2. Except as shall otherwise be agreed between the Contributor and the Bank, no payments shall be made by the Contributor to the Bank under Section 1 hereabove on account of expenditures made or to be made other than for procurement in Denmark of goods produced in Denmark, with a high Danish content, or for administrative expenses arising pursuant to Section 7.01 of the Regulations.

Section 3. Except as shall otherwise be agreed between the Contributor and the Bank, no payment shall be made by the Contributor to the Bank under Section 1 hereabove to provide financing to meet expenditures in local currencies.

Section 4. In the case of repayments and accruals received by the Bank and derived from this Contribution the subsequent use of such funds, as contemplated in Sections 5.02 and 5.03 of the Regulations shall be free of the restrictions as to procurement contained in Section 2 hereinabove.

Section 5. Wherever used in this Agreement "goods" means capital equipment, supplies and services. Transport charges may be included in the cost of such goods.

Section 6. All shipment of goods under this Agreement shall be in keeping with the principle of free circulation of ships in international trade in free and fair competition.

Section 7. For purchases for projects and programmes, competitive bidding shall be held among Danish suppliers, in accordance with such procedures as shall be agreed between the Contributor and the Bank except where it is agreed between the Contributor and the Bank that such bidding would not be appropriate because of the smallness of the amount involved, uniqueness of the article, or other reasons. All contracts which will be or have been presented for payment under the Contribution must be furnished to the Contributor.