

A Fact Sheet

Solomon Islands

and

ADB

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The Asian Development Bank (ADB) is a multilateral development finance institution owned by 63 members, 45 from Asia and the Pacific and 18 from other parts of the globe. ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve their living conditions and quality of life. ADB pursues a strategic agenda—sustainable economic growth, inclusive social development, and governance for effective policies and institutions—with three crosscutting themes: private sector development, regional cooperation, and environment sustainability.

ADB's main instruments in providing help to its developing member countries are policy dialogues, loans, technical assistance, grants, guarantees, and equity investments. In 2003, ADB's total lending volume was US\$6.1 billion. Technical assistance, which is used for preparing and implementing projects, supporting advisory activities, and undertaking regional activities, amounted to US\$176.5 million. Grants totaling US\$483.5 million were also provided.

ADB was established in 1966. Solomon Islands joined ADB in 1973.

ADB's headquarters is in Manila. It has 23 offices around the world.

ADB's staff numbers more than 2,000 employees from over 50 countries.

Asian Development Bank

31 December 2003

Shareholding and Voting Power

Solomon Islands is the 32nd largest shareholder in ADB among its regional members. Overall, Solomon Islands is the 40th largest shareholder. It shares both positions with Vanuatu.

Number of shares held:	236 (0.007% of total shares)
Votes:	14,121 (0.32% of total membership, 0.50% of total regional membership)
Overall capital subscription:	US\$3.51 million
Paid-in capital subscription:	US\$0.24 million

Strategy and Policy Dialogue

The Regional Assistance Mission to Solomon Islands, in the field since July 2003, has helped restore law and order and fiscal discipline. The key challenge facing the Government and its development partners is how best to use this opportunity to tackle the underlying causes of conflict; address fundamental structural constraints in the economy; and build credible, capable national and provincial public institutions. Major challenges included shifting the overall focus from short-term stabilization toward a medium- and long-term road map; building capacity; strengthening aid coordination between the Government and funding agencies and among funding agencies; and ensuring pro-poor, private sector-led economic growth.

Because of overdue and outstanding arrears and in compliance with financial policies, ADB suspended operations in Solomon Islands in February 2002. However, the Government of Australia settled the arrears in September 2003, and ADB responded by fielding a mission the following month with the World Bank to assess the situation and to propose ways to resume assistance. ADB supported the Government's decision not to borrow further until finances stabilized. As confirmed at the international donor meeting in Honiara in November 2003, ADB reactivated its Post-Conflict Emergency Rehabilitation Project to restore damaged infrastructure. A new country strategy and program update that supports the Government's implementation of its National Economic Recovery, Reform and Development Plan 2003–2006, will be developed during country programming in early 2004.

In December 2003, ADB signed a poverty partnership agreement with the Government.

Loans and Technical Assistance

No loans or technical assistance projects were approved in 2003.

Cumulative ADB lending to Solomon Islands as of 31 December 2003 was US\$79.3 million.

Breakdown of cumulative ADB lending to Solomon Islands, as of 31 December 2003.

Sector	Loan (number)	Loan Amount (US\$ million)	%
Finance	4	30.0	37.8
Agriculture and Natural Resources	4	20.2	25.5
Multisector	2	10.5	13.2
Energy	2	8.9	11.2
Transport and Communications	3	8.0	10.1
Social Infrastructure	1	1.7	2.1
TOTAL	16	79.3	100.0

Cofinancing

ADB arranges cofinancing from official, commercial, and export credit sources as additional resources for project financing. Cofinancing arrangements in 2003 amounted to US\$2.42 billion for 28 loan projects and US\$471.93 million in untied grant financing for 89 technical assistance projects and grant components of loan projects. At the end of 2003, cumulative cofinancing arrangements (beginning in 1970) amounted to US\$40.65 billion for 637 loan projects and US\$1.055 billion in grants for 590 technical assistance projects and grant components of loan projects.

Cofinancing arranged for Solomon Islands from 1 January 1999 to 31 December 2003 amounting to US\$0.18 million was for one technical assistance project.

Share of ADB's Procurement Contracts

Each year, ADB provides loans to fund projects and activities in its Asian and Pacific developing members and several billion US dollars' worth of contracts to procure goods and consulting services.

From 1 January 1999 to 31 December 2003, ADB approved US\$27.66 billion in loans for 318 projects and US\$839.3 million in technical assistance for 1,503 projects. As of 31 December 2003, the cumulative totals were US\$105.07 billion in loans for 1,818 projects in 39 countries and US\$2.20 billion for 5,053 technical assistance projects, including regional technical assistance projects.

Procurement contracts for goods and related services, civil works, and consulting services under loan and technical assistance operations totaled US\$4.46 billion in 2002 and US\$3.50 billion in 2003. Cumulative procurement as of 31 December 2003 was US\$70.94 billion. Most contracts were awarded on the basis of international competition, which is open to firms and individuals from any ADB member country, regional or nonregional.

Solomon Islands' share of procurement contracts, 2002–2003.

Item	2002		2003		Cumulative (as of 31 Dec. 2003)	
	Amount (US\$ million)	% of Total	Amount (US\$ million)	% of Total	Amount (US\$ million)	% of Total
Goods and Related Services, and Civil Works	0.00	0.00	0.03	0.00	34.07	0.05
Consulting Services	0.25	0.10	0.00	0.00	0.87	0.02

Consultants Involved in ADB Projects

From 1 January 1985 to 31 December 2003, consultants were involved in 10,523 contracts for ADB technical assistance projects worth US\$1.60 billion. During the same period, consultants from Solomon Islands were involved in 15 contracts for ADB technical assistance projects worth US\$0.71 million.

Top consultants (individual consultants and consulting firms) from Solomon Islands involved in ADB technical assistance projects, 1 January 1999–31 December 2003.

Consultant	Contract (number)	Contract Amount (US\$ million)
Solomon Islands Individual Consultants	13	0.70

Depository Libraries

ADB's Depository Library Program was established in response to increasing public interest in the activities of multilateral development institutions. Many ADB documents available to the public are stored in more than 160 depository libraries worldwide.

ADB depository library in Solomon Islands.

Host Institution

Contact Information

National Library Service

Contact: Mr. Walter Huberts-Rhein, Director
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Tel: (677) 21601/20159

ADB Governor

The Honorable Francis John Zama, MP, Minister of Finance and Treasury, is the Governor for Solomon Islands in ADB.

ADB Alternate Governor

Mr. Shadrach Fanega, Permanent Secretary, Ministry of Finance, is the Alternate Governor for Solomon Islands in ADB.

ADB Executive Director

Mr. Stephen Sedgwick is the ADB Executive Director for Solomon Islands. Mr. Sedgwick, who is from Australia, was Secretary, Commonwealth Department of Education, Training and Youth Affairs, Government of Australia.

ADB Alternate Executive Director

Mr. Richard Moore is the ADB Alternate Executive Director for Solomon Islands. Mr. Moore, who is from Australia, succeeded **Ms. Miranda Rawlinson** as ADB Alternate Executive Director effective 12 March 2004. Mr. Moore was Assistant Director General, Mekong, South Asia and Africa Branch, Australian Agency for International Development.

ADB Executive Director's Advisors

Mr. Afelee Falema Pita and **Mr. Pen Thirong** are the ADB Executive Director's Advisors for the constituency. Mr. Pita, who is from Tuvalu, was Permanent Secretary, Ministry of Finance and Economic Planning. Mr. Pen, who is from Cambodia, was Deputy Director, Department of Investment and Cooperation, Ministry of Economy and Finance.

Constituency Represented

The constituency that Executive Director Sedgwick and Alternate Executive Director Moore represent on ADB's Board of Directors also includes Australia; Azerbaijan; Cambodia; Hong Kong, China; Kiribati; Federated States of Micronesia; Nauru; Palau; and Tuvalu.

Contact Information

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