establishment of the principle that U.S. contributions to these various funds will on the average constitute a minority of the total contributions from all participating developed countries, measured over reasonable periods of time, say annually. This concept will permit the Congress to be assured that U.S. funds will not be made available unless an appropriate volume of funds from other countries is also made available, without requiring in advance the specific distribution of other country funds. It should be pointed out that it would not be inconsistent with an overall U.S. minority position on the average, for the U.S. contribution to a specific fund to be in excess of this average, provided our share of other funds is correspondingly below the average.

C. PROJECTS AND PROGRAMS TO BE FINANCED UNDER SPECIAL FUNDS

The programs to be financed out of special funds administered by the Asian Development Bank will all share one important charateristic with the Bank itself: they will all be Asian initiatives, emanating from the cooperative judgments and pooled energies of the nations of the region. U.S. funds would be offered to encourage and support those initiatives that are soundly based and bear the endorsement of Asia's own regional financial institution. In some cases, proposals for special fund financing may be initiated within the Asian Bank, elaborated by its staff and brought to fruition in consultation with representatives of the developing and developed countries involved. In other cases, the Asian Bank will build upon work already done in other forums of Asian regional cooperation; for example, the Ministerial Conference on Southeast Asia Economic Development and the United Nations-sponsored Mekong Committee. The paragraphs that follow describe the major uses now foreseen for the special funds toward which the United States would contribute the $200 million currently being sought from the Congress.

Special Agricultural Fund (SAF).—In one of their early major decisions, the Directors of the Asian Development Bank in April 1967, acknowledged the importance and urgency of agricultural development in the region, and accepted in principle the idea of a Special Agricultural Fund (SAF) under the administration of the ADB. The Management of the Bank having recruited an international task force of distinguished agricultural experts is now surveying the needs of the region. The task force is expected to complete its report late this year and thereby to provide the Bank with a sound basis for the operations of the Special Agricultural Fund.

The Asian Bank's decision to undertake the establishment of a Special Agricultural Fund was taken against the background of more than a year of increasing concern and activity on the part of Asian governments regarding stepped up production in the agricultural sector. The Japanese Government played an especially active role by convening, in April 1966, a ministerial meeting of Southeast Asian countries devoted to economic and social development. This conference, in turn, voted to hold a special conference in Tokyo in December 1966 to study agricultural development, and from the latter conference emerged a resolution calling on the Asian Bank to establish and administer a Special Agricultural Fund.