during the past year I have seen clear and constant evidence of common purpose in the minds of the Bank's Management, staff and Directors—irrespective of nationality, whether from large country or small, from one country of Asia or another, or from within or without the Asian region. Although young, our institution clearly has shown that it has great strength in dealing, almost routinely, with the day-to-day business of common understanding.

I am very proud of this new undertaking, and especially so because I have been able to play a role during this early, critical phase. And this for two main reasons: because it represents a great success in institution building, a triumph in regional and international cooperation; and because of the way the Bank functions, with our common purpose constantly unfolding in our shared concern with the economic growth of the developing countries of Asia. No doubt giving effective support to the economic development efforts of the developing countries is our major task. But assistance with projects is by no means the single value to be measured from our work; the spirit as well as the material substance of cooperation is a very real and valuable part of the whole exercise.

I also feel pride in the Bank's accomplishments to date. Much of it is sub-surface—like the invisible bulk of the iceberg. For those close at hand, there is ample evidence of steady construction and reinforcement and careful preparation for the future. A solid framework is being established. Judgment on the quality of this structure and preparation for the future may best be given only as our future unfolds, but my appraisal—albeit from a very much interested and participating observer—is that the job is being well done and that a great deal has been done in a very short time.

The President of the Bank—at the very outset strongly and unanimously supported by the Directors—insisted on rigorous selection by merit in appointment of staff. And he has been personally involved in the choice of officers. Being an international institution, the Bank has had a need for a widespread nationality makeup in the staff, but this has been achieved without compromising choice by merit. Often the Bank has found it necessary to wait until able people could leave their previous positions, and in a number of cases the President took the patient but wise course of waiting until the best people could join the Bank. The staff is new and in many ways inexperienced in dealing with the tasks at hand, inevitably leading to some laboriousness. But there is no question that there is a generally high level of competence in the Bank staff and that the important work gets done expeditiously and effectively. Flesh and muscle no doubt must be added to certain parts of the staff structure which may have a certain skeletal quality—for example, there is a need for strengthening on the engineering side. There has, however, been a steady buildup in high quality technical staff despite unavoidable disappointments and frustrations in the recruitment process.

The Bank has largely completed the policy and procedural framework for conduct of its operations. It has dealt with many operational policies and problems in a general or anticipatory manner, while necessarily leaving a number of questions for a case-law method of policy formation. The Board of Directors, considering documentation prepared by Management, has dealt with many major issues such as policy guidelines for lending, loan regulations, organizing the Bank's technical assistance activities, procedures to ensure competitive bidding practices and efficient use of resources, the approach for hiring consultants, and many administrative questions such as the structure of the organization and terms and conditions of employment. We have, of course, had the great time advantage of being able to benefit from the experience of the international lending institutions which preceded the ADB—and in fact a number of the Directors and staff members have served with these institutions. We have had the opportunity to observe and evaluate their practices and achievements—and often to emulate them but at times feeling the need to find our own ways to meet our needs.

In my view the Bank correctly has been devoting considerable attention to the great need for technical services in the Asian countries, where so frequently one finds deficiencies in technical ability seriously interfering with the identification and evaluation of economic requirements and the articulate formulation of project proposals. The Bank will devote time and effort and talent to help fill these gaps.

The Board has intensively and carefully considered, without completing its deliberations, the basis on which to administer special funds. The Bank has recognized that the needs and interests of donor government have to be met, and at the same time wishes to preserve the multilateral character of the operation of administering special funds. The Bank has already begun its ordinary operations—both lending and technical assistance—and will be ready to administer any special funds when they may be forthcoming from donor governments.