

programs for regional development of Southeast Asia. The reports which I have received of these talks indicate that Canada and the United States share the view that increased amounts of developmental assistance will be necessary for that area, and that special trust fund arrangements, under Article 19 of the Asian Development Bank's Charter, would be an appropriate mechanism for carrying through at least some of these new regional programs.

As you know, we are at present discussing with the Asian Bank a Canadian contribution of trust funds this year in the amount of \$600,000 for technical assistance which we hope would assist the Bank to move ahead quickly with the formulation of high priority projects. I would expect that the conditions with respect to the use of these Canadian funds would be similar to those approved by the Bank's Board of Directors for this year's United States' technical assistance contribution. You will know also that I have earlier indicated Canada's willingness to consider a contribution of up to \$2 million in interest-free 50-year loans to the Brek Thnot project in Cambodia. I would hope that this undertaking might, along with other projects of the Mekong Committee, be carried out through special trust fund arrangements under the aegis of the Bank.

Canada has, from the outset, been a strong supporter of the Asian Development Bank and it is because of this that we have been prepared to make a capital subscription relatively larger than that of other nonregional members. We have also had a particular interest in the provision of special trust funds to the Bank, and this was underlined by the Canadian delegation at the Bank's inaugural meeting in Tokyo last November. You may be interested to know that while no final decisions have been taken on the level of such special funds which Canada might be in a position to contribute, I would expect that, subject to satisfactory arrangements for their use, they would bear an appropriate relationship to our capital subscription.

Yours sincerely,

PAUL MARTIN.

Mr. REUSS. I have a telegram supporting the legislation from David Rockefeller of the Chase Manhattan Bank, and a letter of support from Secretary of State Rusk. Unless there is objection, they, too, will be received in evidence.

We will now stand adjourned until tomorrow morning.

(Whereupon, at 12:10 p.m., the subcommittee adjourned, to reconvene at 10 a.m., Wednesday, February 28, 1968).

(The letters above referred to and other correspondence and material submitted for the record follow:)

NEW YORK, N.Y., *February 26, 1968.*

HON. HENRY S. REUSS,
Chairman, Subcommittee on International Finance, House Banking and Currency Committee, House of Representatives, Washington, D.C.:

Understand you are conducting hearings on legislation for two hundred million dollars U.S. contribution over 4 years for special funds for Asian Development Bank. Wish to express my wholehearted support this legislation. Believe U.S. Government making available, together with other countries these additional resources to ADB for concessional lending in addition to ordinary capital will greatly strengthen Bank. Feel it most practical for U.S. Government give such support to this young but very important institution which has captured attention and imagination of Asian countries and holds more promise for them for future development in Asia. Therefore urge Congress take speedy action to support President's proposal to provide special funds to ADB.

DAVID ROCKEFELLER,
Chase Manhattan Bank.