

No. 8303. AGREEMENT ESTABLISHING THE ASIAN DEVELOPMENT BANK.  
DONE AT MANILA, ON 4 DECEMBER 1965<sup>1</sup>

RATIFICATIONS

*Instruments deposited by the following States on the dates indicated :*

SINGAPORE . . . . .	21 September 1966
REPUBLIC OF CHINA . . . . .	22 September 1966
REPUBLIC OF VIETNAM . . . . .	22 September 1966
UNITED KINGDOM OF GREAT BRITAIN AND NORTH- ERN IRELAND . . . . .	26 September 1966

The instrument of ratification of the Government of Singapore contains a declaration, made in accordance with paragraph 2 of article 56 of the Agreement, to the effect that Singapore retains for itself the right to tax salaries and emoluments paid by the Asian Development Bank to citizens and nationals of Singapore.

The instrument of ratification of the Government of the United Kingdom of Great Britain and Northern Ireland is accompanied by a declaration, made in accordance with paragraph 2 of article 56 of the Agreement, to the effect that the Government of the United Kingdom retains the right to tax salaries and emoluments paid by the Asian Development Bank to the citizens of the United Kingdom and Colonies. Furthermore, in the letter transmitting its instrument of ratification, this Government has made the following observations :

“Article 54 of the Agreement has the effect of affording Government telecommunication privileges to the Asian Development Bank. The list of persons and authorities entitled to such privileges in Annex 3 to the International Telecommunications Convention signed at Geneva on the 21st of December, 1959, does not include international organisations other than the United Nations. There is thus a clear conflict between article 54 and the Telecommunications Convention, to which the United Kingdom (and no doubt other members of the Asian Development Bank) is a party. The United Kingdom wishes to propose that this conflict be considered at an early meeting of the Board of Governors.

“Paragraph 1 of article 56 of the Agreement might perhaps be construed as allowing the Asian Development Bank complete exemption from all customs duties and taxes on goods without any qualification. It is current practice to accord relief from taxation on goods to international organisations only in respect of articles acquired in pursuance of the official activities of an organisation, and, in the case

<sup>1</sup> United Nations, *Treaty Series*, Vol. 571 and Vol. 572.

of internal indirect taxes, only for substantial purchases where it is reasonably practicable to allow such relief. The Government of the United Kingdom consider that paragraph 1 of article 56 is to be construed in the light of current practice."

The Government of the United Kingdom also informed the Secretary-General that it is their intention to seek from the Asian Development Bank :

"(a) an understanding that it will insure any motor vehicle belonging to, or operated on behalf of, the Bank against third party claims for damage arising from an accident caused by such a vehicle in the United Kingdom and that the immunity of the Bank from legal process under paragraph 1 of article 50 will not be asserted in the case of any civil action in the United Kingdom by a third party for damage arising from an accident caused by such a vehicle ;

"(b) an understanding that no immunity under article 55 will be asserted in respect of any motor traffic offence committed by a member of the personnel of the Bank or in respect of damage caused by a motor vehicle belonging to, or driven by, him."

In accordance with paragraph 2 of article 64, the above-mentioned States have become members of the Asian Development Bank on the respective dates of deposit of their instruments of ratification.

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