



## 5th Annual Meeting of NDB

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### Why in News

Recently, the **Union Minister of Finance** attended the **5<sup>th</sup> Annual Meeting of the Board of Governors of New Development Bank (NDB)** through **video-conference** in **New Delhi**.

### Key Highlights of the Meeting

- **India appreciated NDB's efforts** in establishing itself as a **credible Global Financial Institution**, delivering its mandate successfully by taking a more sustainable and inclusive approach.
- NDB **fast-tracked financial assistance of about \$5 billion to BRICS countries** including **Emergency Assistance of \$1 billion to India** to combat **Covid-19 pandemic**.  
The assistance under this facility was **suggested to be enhanced to \$10 billion**.
- **Brazil thanked India for sending critical drugs** for timely management of **novel coronavirus** in Brazil.
- NDB was encouraged to take **appropriate actions to join the G-20 forum** along with other **Multilateral Development Banks (MDBs) and International Financial Institutions (IFIs)** like the **World Bank, Asian Development Bank (ADB), Asian Infrastructure Investment Bank (AIIB)**, etc.
- India urged NDB to follow **novel practices in supporting the BRICS nations** for achieving their **Sustainable Development Goals**.

- **Measures taken by India** to respond to the health crisis and to mitigate its impact were highlighted. **Few of them are:**
  - **India Covid-19 Emergency Response and Health System Preparedness Package: Allocation of \$2 Billion (₹15,000 crore)** by the Government of India for **strengthening the healthcare** system.
  - **Pradhan Mantri Garib Kalyan Yojana**: Announcement of a scheme of social support measures amounting to **\$23 Billion (₹1.70 lakh crore)** to **alleviate the hardship of the poor and the vulnerable**.
  - **Insurance cover of \$67,000 (₹50 lakh) per person** to over 2.2 million **frontline health workers and others provision of relief** to firms in statutory and regulatory compliance matters
  - **Easing of monetary policy** by the **Reserve Bank of India** (RBI) and **three-month moratorium** on loan instalments.
  - Creation of a **Covid-19 Emergency Fund** for **SAARC** countries.
  - India's **efforts in supplying critical medicine to the countries in need** (e.g. **Operation Sanjeevani**), to tackle the Covid-19.

## New Development Bank

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- It is a **multilateral development bank** jointly founded by the **BRICS countries (Brazil, Russia, India, China and South Africa)** at the **6<sup>th</sup> BRICS Summit in Fortaleza, Brazil in 2014**.
- It was **formed to support** infrastructure and sustainable development efforts in BRICS and other underserved, emerging economies for faster development through innovation and cutting-edge technology.
- It is **headquartered** at **Shanghai, China**.
- In **2018**, the NDB received **observer status** in the **United Nations General Assembly**, establishing a firm basis for active and fruitful cooperation with the UN.
- **Objectives:**
  - Fostering development of member countries.
  - Supporting economic growth.
  - Promoting competitiveness and facilitating job creation.
  - Building a knowledge sharing platform among developing countries.
- To fulfill its purpose, the Bank **supports public or private projects** through **loans, guarantees, equity participation and other financial instruments**.
- NDB has so far **approved 14 projects in India** for an amount of \$4,183 million.

**Source: PIB**