

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5222

ANSWERED ON:26.04.2013

BANK FOR BRICS COUNTRIES

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**Will the Minister of FINANCE be pleased to state:**

(a) whether there is any proposal for setting up of an exclusive bank for the BRICS countries i.e. Brazil, Russia, India, China and South Africa;

(b) if so, the details thereof; and

(c) the objective behind setting up such bank along with the role likely to be played by our country in this regard?

**Answer**

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): Yes, Madam. There is a proposal for setting up of a new Development Bank for mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries.

(b): In March, 2012 BRICS Leaders directed their Finance Ministers to consider the possibility of setting up a new Development Bank for mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries to supplement the existing efforts of multilateral and regional financial institutions for global growth and development. In March, 2013 BRICS Leaders expressed their satisfaction regarding establishment of a new Development Bank being feasible and viable. They further agreed to establish the New Development Bank with initial capital contribution being substantial and sufficient for the bank to be effective in financing infrastructure.

(c): The objective for establishing such bank is for mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, and to supplement the existing efforts of multilateral and regional financial institutions for global growth and development. India being a BRICS country is contributing in the discussion and development of the proposal for the establishment of the new Development Bank. The modalities of the bank are being worked out. The areas identified for further cooperation and discussion in this regard include Membership and Governance, Capital Size and Structure, Institutional Arrangements, Operational Framework and Articles of Association.