

BRICS Bank to fund inclusive needs of emerging nations: PM Modi

15/11/2015 18:45 by admin

Antalya: India will guide the BRICS nations' USD 50 billion New Development Bank - a rival to the World Bank - to finance "inclusive and responsive" needs of particularly emerging economies, Prime Minister Narendra Modi said today.

BRICS nations Brazil, Russia, India, China and South Africa today reviewed the progress made in setting up of the New Development Bank as well as a USD 100 billion liquidity reserve fund as the emerging economies seek greater voice on the world stage.

The meeting took place ahead of the Summit of leaders of the 20 biggest economies of the world (G20) here.

The grouping discussed the progress made in setting up the New Development Bank, with an initial capital of USD 50 billion, to meet financing needs of emerging economies.

India has got the first presidency of the China-headquartered bank.

"India attaches the highest importance to BRICS. We are honoured to assume the Chairmanship of BRICS from February 1, 2016 and build on the great work done by other Members," Modi said in his opening remarks at the BRICS meeting here.

"The theme of India's BRICS Chairmanship will be 'Building Responsive, Inclusive and Collective Solutions' which, in short, will be 'BRICS'. It aptly describes the ethos of our group." Modi, Russian President Vladimir Putin, Chinese President Xi Jinping, Brazilian President Dilma Roussef and Jacob Zuma of South Africa met ahead of the G20 Summit here to review progress made by their five-member grouping, called BRICS.

"There was a time when the logic of BRICS and its lasting capacity were being questioned. We have provided proof of the relevance and value of BRICS through our actions. And, this has come at a time of huge global challenges," Modi said in his opening remarks at the meeting.

The Bank, which the BRICS countries see as an alternative to the World Bank, is to have its capital expanded to USD 100 billion within the next couple of years.

The Bank was agreed upon in a meeting of BRICS in Russian city of Ufa in July.

Kundapur Vaman Kamath, 67, a former head of India's largest private bank, ICICI Bank, has been appointed president of Shanghai-headquartered bank.

It plans to issue its first loans, yet to be agreed, in April.

"The New Development Bank, the Currency Reserve Arrangement, Strategy for BRICS Economic Cooperation- these are clear evidence of our vision and our resolve. Together, we can also give shape to G20," Modi said.

The BRICS USD 100 billion currency reserve pool has been set up to protect the group countries' currencies from volatility in global markets.

China is to contribute USD 41 billion to the Fund while Brazil, India and Russia will chip in USD 18 billion each.

South Africa will contribute USD 5 billion.

"We are pleased that a BRICS partner, China, takes over the Presidency of G20 in December 2015. We assure China of full support during its Presidency," Modi said.

Modi also strongly condemned the terror attacks, most recently in Paris in which 129 people were killed and over 352 injured.

"We stand united in strongly condemning the dreadful acts of terrorism in Paris. We express our deepest sympathy and support to Russia for the loss of life in Sinai. Ankara and Beirut are also reminders of terror's growing spread and impact," he said.

"The entire humanity must stand together as one against terrorism. The need for a united global effort to combat terrorism has never been more urgent. This must also be a priority for BRICS nations."

- PTI