

Agreement of the International Bank for Reconstruction and Development (IBRD)

The inside institutions in the World Bank

- The World Bank Group
 - Two unique development institutions : the IDA and IBRD
 - The International Finance Corporation (IFC) : for private sector development
 - The Multilateral Investment Guarantee Agency (MIGA)
 - The International Centre for the Settlement of Investment Disputes (ICSID)
- IBRD (The International Bank for Reconstruction and Development)
 - Providing credits (loans) to governments of middle-income and creditworthy low-income countries
- IDA (The International Development Association)
 - Providing interest-free loans and grants to governments of the poorest countries

The IBRD Agreement

Article I Purposes

- To assist in the reconstruction and development of territories of members by facilitating the investment of capital for productive purposes, including the restoration of economies destroyed or disrupted by war, the reconversion of productive facilities to peacetime needs and the encouragement of the development of productive facilities and resources in less developed countries.
- To promote private foreign investment by means of guarantees or participations in loans and other investments made by private investors; and when private capital is not available on reasonable terms, to supplement private investment by providing, on suitable conditions, finance for productive purposes out of its own capital, funds raised by it and its other resources.
- To promote the long-range balanced growth of international trade and the maintenance of equilibrium in balances of payments by encouraging international investment for the development of the productive resources of members, thereby assisting in raising productivity, the standard of living and conditions of labor in their territories.
- To arrange the loans made or guaranteed by it in relation to international loans through other channels so that the more useful and urgent project, large and small alike, will be dealt with first.
- To conduct its operations with due regard to the effect of international investment on business conditions in the territories of members and, in the immediate post-war years, to assist in bringing about a smooth transition from a wartime to a peacetime economy.

The IBRD Agreement

Article II

- Article II Membership in and Capital of the Bank
 - Section 1 Membership
 - Section 2 Authorised Capital
 - Section 3 Subscription of Shares
 - Section 4 Issue Price of Shares
 - Section 5 Division and Calls of Subscribed Capital
 - Section 6 Limitation on Liability
 - Section 7 Method of Payment of Subscriptions for Shares
 - Section 8 Time of Payment of Subscriptions
 - Section 9 Maintenance of Value of Currency Holdings of the Bank
 - Section 10 Restriction on Disposal of Shares

The IBRD Agreement

Article III

- Article III General Provisions Relating to Loans and Guarantees
 - Section 1. Use of Resources
 - Section 2. Dealings between Members and the Bank
 - Section 3. Limitations on Guarantees and Borrowings of the Bank
 - Section 4. Conditions on which the Bank may Guarantee or make Loans
 - Section 5. Use of Loans Guaranteed, Participated in or made by the Bank
 - Section 6. Loans to the International Finance Corporation

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Article IV

- Article IV Operations
 - Section 1. Methods Making or Facilitating Loans
 - Section 2. Availability and Transferability of Currencies
 - Section 3. Provision of Currencies for Direct Loans
 - Section 4. Payment Provisions for Direct Loans
 - Section 5. Guarantees
 - Section 6. Special Reserve
 - Section 7. Methods of Meeting Liabilities of the Bank in Case of Defaults
 - Section 8. Miscellaneous Operations
 - Section 9. Warning to be placed on Securities
 - Section 10. Political Activity prohibited

The IBRD Agreement

Article V

- Article V Organisation and Management
 - Section 1. Structure of the Bank
 - Section 2. Board of Governours
 - Section 3. Voting
 - Section 4. Executive Directors
 - Section 5. President and Staff
 - Section 6. Advisory Council
 - Section 7. Loan Committees
 - Section 8. Relationship to other International Organisations
 - Section 9. Location of Offices
 - Section 10. Regional Offices and Council
 - Section 11. Depositories
 - Section 12. Form of Holdings of Currency
 - Section 13. Publication of Reports and Provision of Information
 - Section 14. Allocation of Net Income

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Article VI

- Article VI Withdrawal and Suspension of Membership: Suspension of Operations
 - Section 1. Right of Members to Withdraw
 - Section 2. Suspension of Membership
 - Section 3. Cessation of Membership in International Monetary Fund
 - Section 4. Settlement of Accounts with Governments Ceasing to be Members
 - Section 5. Suspension of Operations and Settlement of Obligations

The IBRD Agreement

Article VII

- Article VII Status, Immunities and Privileges
 - Section 1. Purposes of Article
 - Section 2. Status of the Bank
 - Section 3. Position of the Bank with Regard to Judicial Process
 - Section 4. Immunity of Assets from Seizure
 - Section 5. Immunity of Archives
 - Section 6. Freedom of Assets from Restrictions
 - Section 7. Privilege for Communications
 - Section 8. Immunities and Privileges of Officers and Employees
 - Section 9. Immunities from Taxation
 - Section 10. Application of Article

The IBRD Agreement

Article VIII to XI

- Article VIII Amendments
- Article IX Interpretation
- Article X Approval Deemed Given
- Article XI Final Provisions
 - Section 1. Entry into Force
 - Section 2. Signature
 - Section 3. Inauguration of the Bank
- SCHEDULE A SUBSCRIPTIONS
- SCHEDULE B ELECTION OF EXECUTIVE DIRECTORS

ODA and MDBs

Asian Development Bank
African Development Bank

Multinational Development Banks

- MDBs
 - Multinational Development Banks
 - Such as World Bank, ADB and AfDB
 - International Public Banks for Development works
 - By international members (states and institutions)
- Works for the international development issues
 - Banks (monetary authority for reservation and loans, etc.)
 - Fund raisings and investment projects for the issues
 - Evaluations of economic situations and effects of states and ODA projects, etc.
 - With member states and others (in the international society)

The Asian Development Bank (ADB)

The Asian Development Bank

- Established on 22 August 1966
 - To facilitate economic development of countries in Asia
 - By the members of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and non-regional developed countries
 - : From 31 members at its establishment
 - : Now 67 members (48 from the Asia-Pacific region and 19 from outside)
- Modeling the World Bank
 - Similar weighted voting system in proportion with member's capital subscriptions
 - : The US and Japan : 552,210 shares, the largest proportion of shares at 13% each

The sectors and the themes of the activities

- Sectors to eradicate poverty
 - Agriculture
 - Education
 - Energy
 - Finance
 - Health
 - Information of Communication and Technology (ICT)
 - Industry and Trade
 - Public Sector Management
 - Social protection
 - Transport
 - Water
- Themes for development goals and cross-cutting initiatives
 - Capacity Development
 - Climate Change
 - Environmental Sustainability
 - Gender and Development
 - Governance
 - Poverty Reduction
 - Private Sector Development
 - Regional Cooperation and Integration
 - Social Development
 - Urban Development

Financing Operations

- Public Sector (Sovereign) Financing
 - Helping governments and public sector entities (such as state-owned enterprises)
 - With the tools of loans, technical assistance, and grants
- Private Sector (Sovereign) Financing
 - Direct financial assistance to private sector projects
 - As a catalyst for private investments
- Special Funds
 - For specific objects and targets
 - Such as 'Afghanistan Infrastructure Trust Fund' and 'Japan Special Fund'

Break

The Law on the ADB

Agreement Establishing the
Asian Development Bank

Structure

- CHAPTER I PURPOSE, FUNCTIONS AND MEMBERSHIP
 - Article 1 Purpose
 - Article 2 Functions
 - Article 3 Membership

- CHAPTER II CAPITAL
 - Article 4 Authorized Capital
 - Article 5 Subscription of Shares
 - Article 6 Payment of Subscriptions
 - Article 7 Ordinary Capital Resources

Purpose

- Article 1 -

“The purpose of the Bank shall be to foster economic growth and co-operation in the region of Asia and the Far East (hereinafter referred to as the "region") and to contribute to the acceleration of the process of economic development of the developing member countries in the region, collectively and individually.”

“Wherever used in this Agreement, the terms "region of Asia and the Far East" and "region" shall comprise the territories of Asia and the Far East included in the Terms of Reference of the United Nations Economic Commission for Asia and the Far East.”

Functions

- Article 2 -

- To fulfil its purpose, the Bank shall have the following functions:
 - (i) to promote investment in the region of public and private capital for development purposes;
 - (ii) to utilise the resources at its disposal for financing development of the developing member countries in the region, giving priority to those regional, sub-regional as well as national projects and programmes which will contribute most effectively to the harmonious economic growth of the region as a whole, and having special regard to the needs of the smaller or less developed member countries in the region;
 - (iii) to meet requests from members in the region to assist them in the co-ordination of their development policies and plans with a view to achieving better utilisation of their resources, making their economies more complementary, and promoting the orderly expansion of their foreign trade, in particular, intra-regional trade;

Functions

- Article 2 -

- (iv) to provide technical assistance for the preparation, financing and execution of development projects and programmes, including the formulation of specific project proposals;
- (v) to co-operate, in such manner as the Bank may deem appropriate, within the terms of this Agreement, with the United Nations, its organs and subsidiary bodies including, in particular, the Economic Commission for Asia and the Far East, and with public international organisations and other international institutions, as well as national entities whether public or private, which are concerned with the investment of development funds in the region, and to interest such institutions and entities in new opportunities for investment and assistance; and
- (vi) to undertake such other activities and provide such other services as may advance its purpose.

Structure

- CHAPTER III OPERATIONS
 - Article 8 Use of Resources
 - Article 9 Ordinary and Special Operations
 - Article 10 Separation of Operations
 - Article 11 Recipients and Methods of Operation
 - Article 12 Limitations on Ordinary Operations
 - Article 13 Provision of Currencies for Direct Loans
 - Article 14 Operating Principles
 - Article 15 Terms and Conditions for Direct Loans and Guarantees
 - Article 16 Commission and Fees
 - Article 17 Special Reserve
 - Article 18 Methods of Meeting Liabilities of the Bank
 - Article 19 Special Funds
 - Article 20 Special Funds Resources

Structure

- CHAPTER IV BORROWING AND OTHER MISCELLANEOUS POWERS
 - Article 21 General Powers
 - Article 22 Notice to be Placed on Securities

- CHAPTER V CURRENCIES
 - Article 23 Determination of Convertibility
 - Article 24 Use of Currencies
 - Article 25 Maintenance of Value of the Currency Holdings of the Bank

Structure

- CHAPTER VI ORGANIZATION AND MANAGEMENT
 - Article 26 Structure
 - Article 27 Board of Governors: Composition
 - Article 28 Board of Governors: Powers
 - Article 29 Board of Governors: Procedure
 - Article 30 Board of Directors: Composition
 - Article 31 Board of Directors: Powers
 - Article 32 Board of Directors: Procedure
 - Article 33 Voting
 - Article 34 The President
 - Article 35 Vice President(s)
 - Article 36 Prohibition of Political Activity: The International Character of The Bank
 - Article 37 Office of The Bank
 - Article 38 Channel of Communications, Depositories
 - Article 39 Working Language, Reports
 - Article 40 Allocation of Net Income

The Organisations of the Bank

CHAPTER VI Organisation and Management

- *The Board of Governors*
 - The highest policy-making body of the bank
 - Composed of one representative from each member state
- *The Board of Directors*
 - Elected by themselves
 - Among the 12 members of the Board of Governors
 - : 8 from regional (Asia-Pacific) members and 4 from non-regional members
- *The President*
 - The chairperson of the Board of Directors and managers of the ADB
 - Elected by the Board of Governors
 - Five year term (with the possibility of re-election)
 - : Always Japanese (one of the largest shareholders of the bank)

Structure

- CHAPTER VII WITHDRAWAL AND SUSPENSION OF MEMBERS, TEMPORARY SUSPENSION AND TERMINATION OF OPERATIONS OF THE BANK
 - Article 41 Withdrawal
 - Article 42 Suspension of Membership
 - Article 43 Settlement of Accounts
 - Article 44 Temporary Suspensions of Operations
 - Article 45 Termination of Operations
 - Article 46 Liability of Members and Payment of Claims
 - Article 47 Distribution of Assets

Structure

- CHAPTER VIII STATUS, IMMUNITIES, EXEMPTIONS AND PRIVILEGES
 - Article 48 Purpose of Chapter
 - Article 49 Legal Status
 - Article 50 Immunity From Judicial Proceedings
 - Article 51 Immunity of Assets
 - Article 52 Immunity of Archives
 - Article 53 Freedom of Assets from Restrictions
 - Article 54 Privilege for Communications
 - Article 55 Immunities and Privileges of Bank Personnel
 - Article 56 Exemption from Taxation
 - Article 57 Implementation
 - Article 58 Waiver of Immunities, Exemptions and Privileges

Privileges for the Bank and the staff

- Immunity
 - Judicial Proceedings
 - of Assets and Archives
 - Freedom of Assets from Restrictions
- Privilege
 - Communications
 - Exemption from Taxation
- Privileges of Bank Personnel
 - All Governors, Directors, alternates, officers and employees
 - Immunities and other Privileges

Structure

- CHAPTER IX AMENDMENTS, INTERPRETATION, ARBITRATION
 - Article 59 Amendments
 - Article 60 Interpretation or Application
 - Article 61 Arbitration
 - Article 62 Approval Deemed Given
- CHAPTER X FINAL PROVISIONS
 - Article 63 Signature and Deposit
 - Article 64 Ratification or Acceptance
 - Article 65 Entry into Force
 - Article 66 Commencement of Operations

“e-Asia and Knowledge Partnership Fund” from Korea

- Established in June 2006 by Korea
 - \$20 million as the basis of the fund
 - \$6.37 million as the additional contribution to the Fund (2010) plus another \$ 6 million (2011)
- Main goals
 - “Creating and sharing of knowledge through information and communications technology (ICT) in the Asia and Pacific region”
 - To bridge the digital divide and promote improved access to information
- The projects with fund
 - Strengthening the capacity of DMCs to achieve the targets of the World Summit on the Information Society (WSIS) Plan of Action
 - Providing technical assistance for promoting ICT and bridging the digital divide, through national and regional e-strategies

The African Development Bank (AfDB)

The African Development Bank

- The Bank
 - Established in 1964
 - For the economic and social development in Africa
- Comprising a group
 - The African Development Bank (AfDB), the African Development Fund (ADF), and the Nigeria Trust Fund (NTF)
- Works
 - Loans and grants to African governments and private companies investing in the regional member countries (RMC) in Africa
 - Owned and funded by member governments, and has a public-interest mandate to reduce poverty and promote sustainable development

The Four principal Functions of the Bank

- Loans and equity investments
 - For the economic and social advancement of the regional member countries (RMC)
- Technical assistance
 - For the preparation and execution of development projects and programs
- Investment of public and private capital
 - For development purposes
- Coordinating development policies and plans

The Funds

- Group entitles
- The African Development Fund (ADF)
 - From 1972
 - Development finance on concessional terms to low-income RMCs which are unable to borrow on the non-concessional terms of the AfDB
 - The main aim of ADF activities : Harmony with its lending strategy, poverty reduction
- The Nigeria Trust Fund (NTF)
 - Established in 1976 by the Nigerian government
 - Assisting in the development efforts of the poorest AfDB members
 - To provide financing for projects of national or regional importance

The Law on the AfDB

- Agreement Establishing the African Development Fund
 - With 60 Articles
- The Structure
 - CHAPTER I DEFINITIONS
 - Article 1
 - CHAPTER II PURPOSE AND PARTICIPATION
 - Article 2-3
 - CHAPTER III RESOURCES
 - Article 4-10
 - CHAPTER IV CURRENCIES
 - Article 11-13
 - CHAPTER V OPERATIONS
 - Article 14-21
 - CHAPTER VI ORGANIZATION AND MANAGEMENT
 - Article 22-36

The Law on the AfDB

- The Structure
 - CHAPTER VII WITHDRAWAL; SUSPENSION OF PARTICIPATION;
TERMINATION OF OPERATIONS
Article 37-40
 - CHAPTER VIII STATUS; IMMUNITIES; EXEMPTIONS AND PRIVILEGES
Article 41-50
 - CHAPTER IX AMENDMENTS
Article 51
 - CHAPTER X INTERPRETATION AND ARBITRATION
Article 52-53
 - CHAPTER XI FINAL PROVISIONS
Article 54-60

Thanks