Foreign Funding – Institutions

Lesson 15

KEY CONCEPTS

■ International Finance Corporation (IFC) ■ Asian Development Bank (ADB) ■ International Monetary Fund (IMF) ■ World Bank

Learning Objectives

To understand:

- Role and functions of various international agencies and development banks
- History, functions and funding by International Finance Corporation (IFC)
- IFC's Strategic Alignment with the Sustainable Development Goals (SDGs)
- Functions of Asian Development Bank (ADB) and Financing & Investment by ADB
- Mission, objective and financial assistance by IMF
- Functions of World Bank and its priorities

Lesson Outline

- International Agencies and Development Banks
- International Finance Corporation (IFC)
  - History of IFC
  - Functions of IFC
  - Funding by IFC
  - IFC's Strategic Alignment with the Sustainable Development Goals (SDGs)
- Asian Development Bank (ADB)
  - Areas of Work
  - Financing & Investment by ADB
- International Monetary Fund (IMF)
  - Mission
  - Objective
  - Financial Assistance by IMF
  - IMF Resources
- World Bank
  - Functions
  - Five Constituents Institutions under World Bank
  - Priorities of World Bank Group
- Lesson Round-Up
- Glossary
- Test Yourself
- List of Further Readings
- Other References

INTERNATIONAL AGENCIES AND DEVELOPMENT BANKS

Many development banks and international agencies have come forth over the years for the purpose of international financing. These bodies are set up by the Governments of developed countries of the world at national, regional and international levels for funding various projects. The more industrious among them include International Finance Corporation (IFC), Asian Development Bank, International Monetary Fund (IMF), World Bank etc.

INTERNATIONAL FINANCE CORPORATION (IFC)

History of IFC

More than Six decades ago, a few dozen countries made a calculated bet on the transformative potential of the private sector in developing countries. They put up $100 million in capital and established IFC to reinforce the work of the World Bank in spurring growth and development. Today, IFC is the largest global development institution focused on the private sector, having delivered nearly $250 billion in financing to businesses in emerging markets.

Throughout its history, IFC has introduced new approaches to meet the needs of developing countries. Initially, it helped to bring leading multinational companies to developing countries— beginning in 1957, when IFC invested alongside Siemens in Brazil. In addition, as businesses in these countries began to thrive, IFC deployed its staff to local markets to be closer to clients. Over time, IFC helped drive growth by providing investment and advice, and by mobilizing resources from other capital providers.

IFC consistently brought to bear a distinctive set of advantages in working with the private sector to end extreme poverty and boost shared prosperity—a history of innovation, a mandate for global influence, an understanding of the demonstration effect of its actions, and a determination to achieve measurable development impact.

About IFC

The International Finance Corporation (IFC) is a sister organization of the World Bank and member of the World Bank Group is the largest global development institution focused exclusively on the private sector in developing countries. The Bank Group has set two goals for the world to achieve by 2030:

1. End Extreme Poverty; and
2. Promote shared prosperity in every country.

The International Finance Corporation (IFC) is an international financial institution that offers investment, advisory, and asset-management services to encourage private-sector development in developing countries.

IFC was founded in 1956 on a bold idea: that the private sector has the potential to transform developing countries. Since then IFC has expanded its horizons in more than 100 countries, coining the term "emerging markets" and pioneering new markets such as sustainable bonds. The mission of IFC is Advance economic development by encouraging the growth of private enterprise in developing countries.

The IFC helps the countries to develop their private sectors in a variety of ways:

- **Investing in companies** through loans, equity investments, debt securities and guarantees.
- **Mobilizing capital** from other lenders and investors through loan participations, parallel loans and other means.
- **Advising businesses and governments** to encourage private investment and improve the investment climate.

Since 2009, the IFC has focused on a set of development goals that its projects are expected to target. Its goals are to increase sustainable agriculture opportunities, prove healthcare and education, increase access to financing for microfinance and business clients, advance infrastructure, help small businesses grow revenues, and invest in climate health.

The IFC is owned and governed by its member countries but has its own executive leadership and staff that conduct its normal business operations. It is a corporation whose shareholders are member governments that provide paid- in capital and have the right to vote on its matters. Originally, it was more financially integrated with the World Bank Group, but later, the IFC was established separately and eventually became authorized to operate as a financially- autonomous entity and make independent investment decisions. It offers an array of debt and equity financing services and helps companies face their risk exposures while refraining from participating in a management capacity. The corporation also offers advice to companies on making decisions, evaluating their impact on the environment and society, and being responsible. It advises governments on building infrastructure and partnerships to further support private sector development.

Functions of IFC

- It provides a wide range of investment and advisory services that help businesses and entrepreneurs in the developing world meet the challenges they face in the marketplace.
- It offers innovative financial products to private sector projects in developing countries. These include loans for IFC's own account (also called A-loans), equity financing, quasi-equity financing, syndicated loans (or B-loans), risk management products, and partial credit guarantees. IFC often provides funding to financial intermediaries that on-lend to clients, especially small and medium enterprises.
- It also provides advisory services that help build businesses. Much of IFC's advisory work is conducted by facilities managed by IFC but funded through partnerships with donor Governments and other multilateral institutions. Other sources of funding include donor country trust funds and IFC's own resources.
- It can provide a mix of financing and advisory services that is tailored to meet the needs of each project. But the bulk of the funding, as well as leadership and management responsibility, lies with private sector owners and investors.

Funding by IFC

IFC's first investment came in September 1957. It was a $2 million, 15-year loan to help the local affiliate of German electrical equipment manufacturer Siemens build Brazil's first integrated assembly plant to supply local utilities.

Many more loans ensued in different markets in the coming years, financing steel products plants in India and Pakistan, textiles in El Salvador, and cement production in Thailand. In 1960, IFC first invested in Africa with a $2.8 million loan package for the new Kilombero Sugar Co. operation in Tanzania.

IFC is an active issuer of ESG bonds also known as Socially Responsible Investments. A subset of loan portfolio is funded through its established Green Bond program which finances climate friendly projects and Social Bond Program which finances projects that aim to alleviate social issues. Both programs are fully aligned to the capital markets' most referenced frameworks: The Green Bond Principles and The Social Bond Principles.

All projects financed by IFC must adhere to stringent ESG standards and our Sustainability Framework which help our clients do business in a sustainable way.

Under funding program, IFC issues bonds in a variety of markets, formats, and currencies—including global benchmarks bonds, green and social bonds, uridashi notes, private placements, and discount notes. In addition, IFC issues local-currency bonds to develop domestic capital markets and facilitate local-currency lending. A brief on some of the funding instruments are discussed below:

- **Benchmark & Global Bonds-** IFC issues various Benchmark and Global Bonds such as U.S. Dollar Benchmark Bonds, USD SOFR Floating Rate Notes Bonds, Australian Dollar Public Bonds, British Pound Sterling Public Bonds, New Zealand Dollar Public Bonds etc.

- **Discount Notes-** IFC's Discount Note Program was launched in June 2009 and provides an additional funding and liquidity management tool for IFC to support our trade finance and supply chain initiatives, and to expand the availability of short-term local currency finance. Our discount notes offer a high-quality, short-term investment opportunity in U.S. dollar and Chinese renminbi.

- **Green Bonds -** IFC is one of the world's largest financiers of climate-smart projects for developing countries. IFC was also one of the earliest issuers of green bonds, launching a Green Bond Program in 2010 to help catalyze the market and unlock investment for private sector projects that support renewable energy and energy efficiency.

- **Impact Notes -** IFC is one of the world's largest financiers of climate-smart projects for developing countries. Since 2005, when we started to track climate-smart components of our investments and advisory services, IFC has provided more than $28 billion in long-term financing and raised over $22.3 billion in core mobilization through partnerships with investors. IFC was also one of the earliest issuers of green bonds, launching a Green Bond Program in 2010 to help catalyze the market and unlock investment for private sector projects that support renewable energy and energy efficiency.

- **MTNs & Structured Notes-** IFC aims to maintain the position as an active and flexible issuer of plain vanilla and structured notes. Our structured notes offer investors a yield pickup and can accommodate investor needs.

  IFC currently allows:

  – Interest rate linked, foreign exchange linked, equity index linked, commodity linked, floating rate notes (FRNs), Bermudan and European callable, and hybrid notes.

  – Minimum size of $3 million equivalent with maturities ranging from one to 30 years.

  IFC has an active buyback program, serving as a liquidity backstop for IFC's issuances.

- **Social Bonds -** FC's Social Bond Program, launched in 2017, offers bond investors an opportunity to allocate investments to the achievement of certain SDGs without any additional credit risk than that of IFC as a triple-A rated issuer. Proceeds from the bonds go towards financing select projects from IFC's Banking on Women and Inclusive Business programs, which benefit under-served populations in emerging markets including women and low-income communities with limited access to essential services such as basic infrastructure, finance etc. IFC is a frequent issuer of social bonds in public and private markets, in various currencies and tenors. The Social Bond Program aligns with the Social Bond Principles published by the International Capital Market Association (ICMA).

IFC's Strategic Alignment with the SDGs

IFC seeks to create markets through several ways: by demonstrating successful innovative business models that can be replicated; by stimulating competitiveness through efficiency gains, cost and/or price reductions, and new market entrants; by improving business regulatory frameworks to enable the development and growth of a vibrant private sector in a sustainable manner; and by building capacity and skills that open new market opportunities. This will enable IFC to achieve impact beyond what is obtained with the financing from IFC's own balance sheet.

IFC is playing a key role in the World Bank Group's Maximizing Finance for Development approach. To meet the ambitious SDGs, there is a need to expand the role of the private sector and mobilize private capital while reserving scarce public resources. Together with the World Bank and the Multilateral Investment Guarantee Agency (MIGA), IFC is working on this initiative by focusing on mobilizing private sector solutions for development and by creating markets that enable private investment to contribute to the achievement of the SDGs.

IFC contributes to the SDGs through two pathways, namely: project outcomes and market creation. IFC measures and reports on project outcomes, including the direct impact on stakeholders (including customers, suppliers, government, and the community), the indirect and induced effects on the economy (value added, employment, etc.), and environment and social impacts.

In addition, IFC projects are assessed for the ability to create markets, defined as enabling the development of new markets or contributing to systemic improvements in how markets function and deliver sustainable development impact.

ASIAN DEVELOPMENT BANK

The Asian Development Bank (ADB) was conceived in the early 1960s as a financial institution that would be Asian in character and foster economic growth and co-operation in one of the poorest regions in the world.

> The Asian Development Bank (ADB) envisions a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty in the region.

The Asian Development Bank (ADB) envisions a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty in the region.

ADB assists its member and partners, by providing loans, technical assistance, growth and other equity investments to promote social and economic development. ADB is composed of 68 members 49 of which are from the Asia and the Pacific region and 19 outside.

Areas of Work

The ADB is committed to achieving a prosperous and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It assists its members and partners by providing loans, technical assistance, grants, and equity investments to promote social and economic development. ADB supports projects in developing member countries that create economic and development impact, delivered through both public and private sector operations, advisory services, and knowledge support.

ADB in partnership with member governments, independent specialists and other financial institutions is focused on delivering projects in developing member countries that create economic and developments impact.

As a multilateral development finance institution, ADB provides:

- loans
- technical assistance
- grants

> ADB maximizes the development impact of its assistance by :
>
> - facilitating policy dialogues, providing advisory services, and
> - mobilizing financial resources through co-financing operations that tap official, commercial, and export credit sources.

Financing and Investment by Asian Development Banks

- **Private Sector Financing**

  ADB undertakes nonsovereign operations to provide financing to eligible recipients in developing member countries (DMCs). Nonsovereign operations comprise the provision of any loan, guarantee, equity investment, or other financing arrangement to privately held, state-owned, or subsovereign entities, in each case, (i) without a government guarantee; or (ii) with a government guarantee, under terms that do not allow ADB, upon default by the guarantor, to accelerate, suspend, or cancel any other loan or guarantee between ADB and the related sovereign.

  ADB catalyzes private investments through direct financing, credit enhancements, and risk mitigation instruments. ADB provides direct funding assistance through loans and equity investments. ADB offers political risk guarantee and partial credit guarantee instruments to enhance the risk profiles of transactions to attract both foreign and local commercial lenders to projects in the DMCs, and to encourage them.

  Through cofinancing and guarantees, ADB also support local investors, domestic banks, and financial institutions to provide funds on suitable terms for ADB-assisted development projects. ADB also mobilizes additional resources for projects through a “B-loan” arrangement.

- **Loans and other Debt Instruments**

  ADB offers hard currency loans, both senior and subordinated, as well as mezzanine financing. ADB also offer local currency loans in selective markets on a case to case basis. Interest rates and other terms vary, depending on a company’s or project’s needs and risks.

  - **Rates** - In pricing its loans, ADB considers prevailing market rates in the relevant country and sector, factoring in country and transaction risks. ADB provides floating rate loans at a spread above the Secured Overnight Financing Rate (SOFR) or Euro interbank rate, depending on the currency. It also offers fixed-rate loans at the fixed-rate swap equivalent of floating-rate loans.

  - **Fees** - Market-based fees are charged. Typically, on floating-rate loans, ADB charges a once-only front-end fee as well as an ongoing commitment fee on the undisbursed balance. ADB also charge a fee to cover upfront costs associated with due diligence. Project sponsors or clients will reimburse out-of-pocket expenses, such as travel and external advisory services (i.e., legal counsel, technical consultants, and environmental and insurance advisors, if any).

  - **Security** - ADB will seek security appropriate for the loan and type of financing.

- **Equity investments**

  ADB may invest directly in an enterprise. It offers financing through equity investments, including direct equity investments in the form of common shares, preferred stock, or convertibles. Equity investments in enterprises, especially financial institutions, occur before an initial public offering. ADB does not seek a controlling interest in an investee company, and will not assume any management responsibilities. It will, however, typically wish to reserve the right to appoint a nominee or an observer to the board of directors of each of its investee companies and to selected board committees, and will exercise voting rights as a shareholder. It will maintain regular contact with company management and require periodic reports on the progress of capital projects, operating performance, financial condition of the enterprise, and economic value added. ADB also requires reports on specific indicators for development outputs and outcomes, and monitors continued compliance its environmental and social safeguards.

  Once the objective of its investment has been achieved, ADB will divest its shares at a fair market price. Facilitating this divestment may require the eventual listing of the shares of the investee enterprises on one or more stock exchanges, conducting a trade sale or entering into a suitable buyback agreement. In general, ADB prefers to sell shares to the nationals of the host country to broaden local ownership and further develop local capital markets. When disposing of its shares, ADB will endeavor to consult with its major investment partners and give due consideration to their views, without being precluded from disposing of its investments at its sole discretion.

- ADB may also invest in a private equity fund, up to certain exposure limits. ADB will reserve the right to appoint a nominee to the advisory board of the fund. It will maintain frequent contact with the fund manager and require detailed quarterly reports on the fund manager's investment, monitoring, value addition, and, eventually, divestment progress. With the same frequency, ADB will closely monitor financial performance as measured by net asset value. ADB makes long-term commitments of capital to private equity funds, in keeping with the long-term life cycle of such investments, and ordinarily stays invested as a shareholder or limited partner through the life of the fund.

- **Guarantees**

  ADB extends guarantees for eligible projects which enable financing partners to transfer certain risks that they cannot easily absorb or manage on their own to ADB. Guarantees can be provided when ADB has a direct or indirect participation in a project or related sector, through a loan, equity investment or technical assistance.

- **Loan Syndication**

  ADB partners with commercial banks, impact investors, institutional investors, and development finance institutions to provide debt for projects through B loan, complementary financing scheme, and parallel loan structures.

- **Blended Finance**

  Blended concessional finance is the combination of concessional finance from donors or third parties, with the normal account finance of development finance institutions (DFIs) and/or commercial finance from other investors, used to develop private sector markets, address Sustainable Development Goals, and mobilize private resources.

  ADB is a member of the DFI Working Group on Blended Concessional Finance for Private Sector Projects, which promotes best practice according to five principles: (i) rationale for using blended concessional finance, (ii) crowding-in and minimum concessionality, (iii) commercial sustainability, (iv) reinforcing markets, and (v) promoting high standards.

INTERNATIONAL MONETARY FUND

The International Monetary Fund (IMF) is an organization of 191 member countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world. The IMF was established in 1944 in the aftermath of the Great Depression of the 1930s. 44 founding member countries sought to build a framework for international economic cooperation.

Today, its membership embraces 191 countries, with staff drawn from 150 nations. The IMF is governed by and accountable to the 191 countries that make up its near-global membership.

The IMF's primary purpose is to ensure the stability of the international monetary system-the system of exchange rates and international payments that enables countries (and their citizens) to transact with each other. The Funds mandate was updated in 2012 to include all macroeconomic and financial sector issues that bear on global stability.

Mission

The IMF's fundamental mission is to ensure the stability of the international monetary system. It does so in three ways:

(i) keeping track of the global economy and the economies of member countries;

(ii) lending to countries with balance of payments difficulties; and

(iii) giving practical help to members.

Objectives of IMF

IMF was developed as an initiative to promote international monetary cooperation, enable international trade, achieve financial stability, stimulate high employment, diminish poverty in the world and sustain economic growth. Initially, there were 29 countries with a goal of redoing the global payment system. Today, the organization has 191 members. The main objectives of the International Monetary Fund (IMF) are as under:

- To improve and promote global monetary cooperation of the world.
- To secure financial stability by eliminating or minimizing the exchange rate stability.
- To facilitate a balanced international trade.
- To promote high employment through economic assistance and sustainable economic growth.
- To reduce poverty around the world.

Financial Assistance by IMF

IMF lending aims to give countries breathing room to implement adjustment policies in an orderly manner, which will restore conditions for a stable economy and sustainable growth. These policies will vary depending upon the country's circumstances. For instance, a country facing a sudden drop in the prices of key exports may need financial assistance while implementing measures to strengthen the economy and widen its export base. A country suffering from severe capital outflows may need to address the problems that led to the loss of investor confidence-perhaps interest rates are too low; the budget deficit and debt stock are growing too fast; or the banking system is inefficient or poorly regulated.

The causes of crises are varied and complex. They can be domestic, external, or both.

Domestic factors include inappropriate fiscal and monetary policies, which can lead to large current account and fiscal deficits and high public debt levels; an exchange rate fixed at an inappropriate level, which can erode competitiveness and result in the loss of official reserves, and a weak financial system, which can create economic booms and busts. Political instability and weak institutions also can trigger crises.

External factors include shocks ranging from natural disasters to large swings in commodity prices. Both are common causes of crises, especially for low-income countries. With globalization, sudden changes in market sentiment can result in capital flow volatility. Even countries with sound fundamentals can be severely affected by economic crises and policies elsewhere.

The COVID-19 pandemic was an example of external shock affecting countries across the globe. The IMF responded with unprecedented financial assistance to help countries protect the most vulnerable and set the stage for economic recovery. Some other crises situations are depicted below:

- Balance of payment problems occur when a nation is unable to pay for essential imports or service its external debt.

- Financial crises stem from illiquid or insolvent financial institutions.
- Fiscal crises are caused by excessive deficits and debt.

It also provides precautionary financing to help prevent and insure against crises. The IMF's lending toolkit is continuously refined to meet countries' changing needs.

IMF Resources

IMF funds come from following three sources:

1. **Member quotas-** Quotas are the IMF's main source of financing. Each member of the IMF is assigned a quota, based broadly on its relative position in the world economy. The IMF regularly reviews quotas to assess their adequacy overall and their distribution among members.
2. **New Arrangements to Borrow**- The New Arrangements to Borrow (NAB) constitutes a second line of defense. Through the NAB, certain member countries and institutions stand ready to lend additional resources to address challenges to the international monetary system. NAB activation requires support from 85% of participants eligible to vote.
3. **Bilateral borrowing agreements-** Bilateral Borrowing Agreements serve as a third line of defense after quotas and the NAB. Since the onset of the global financial crisis, the IMF has entered into several rounds of bilateral borrowing agreements (BBAs) to meet its members' financing needs. Activation of the agreements requires support of 85% of creditors eligible to vote.

IMF Capacity Development

The IMF provides technical assistance and training to help countries build effective economic institutions that can implement the right policies. These capacity development efforts help countries achieve their growth and development objectives and contribute strongly to their progress toward their Sustainable Development Goals (SDGs). Capacity development is one of the three core functions of the IMF and accounts for around a third of spending.

World Bank

World Bank is an international organization affiliated with the United Nations (UN) and designed to finance projects that enhance the economic development of member states. Headquartered in Washington, D.C., the bank is the largest source of financial assistance to developing countries. It also provides technical assistance and policy advice and supervises -on behalf of international creditors - the implementation of free-market reforms.

Together with the International Monetary Fund (IMF) and the World Trade Organization, it plays a central role in overseeing economic policy and reforming public institutions in developing countries and defining the global macro-economic agenda.

Five Constituent Institutions under World Bank

The World Bank Group comprises following five constituent institutions that share a commitment to reducing poverty, increasing shared prosperity, and promoting sustainable growth and development.

1. **The International Bank for Reconstruction and Development (IBRD) -** provides loans at market rates of interest to middle-income developing countries and creditworthy lower-income countries.
2. **The International Development Association (IDA)** - provides interest-free long-term loans, technical

assistance, and policy advice to low-income developing countries in areas such as health, education, and rural development.

3. **The International Finance Corporation (IFC)** - operating in partnership with private investors, provides loans and loan guarantees and equity financing to business undertakings in developing countries.
4. **The Multilateral Investment Guarantee Agency (MIGA)** - Loan guarantees and insurance to foreign investors against loss caused by non-commercial risks in developing countries are provided by the MIGA.
5. **The International Centre for Settlement of Investment Disputes (ICSID) -** is responsible for the settlement by conciliation or arbitration of investment disputes between foreign investors and their host developing countries.

Priorities of World Bank Group

The priorities of World Bank Group *inter alia* covers the following:

Climate Change

Climate change, poverty, and inequality are the defining issues of our age. The World Bank Group is the biggest multilateral funder of climate investments in developing countries and intend to go further in helping countries reduce poverty and rise to the challenges of climate change.

Food Security

The World Bank Group works with partners to build food systems that can feed everyone, everywhere, every day by improving food security, promoting 'nutrition-sensitive agriculture' and improving food safety. The Bank is a leading financier of food systems.

Human Capital Project (HCP)

Human capital consists of the knowledge, skills, and health that people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of society. Investing in people through nutrition, health care, quality education, jobs and skills helps develop human capital, and this is key to ending extreme poverty and creating more inclusive societies.

The Human Capital Project is a global effort to accelerate more and better investments in people for greater equity and economic growth. As of October 2022, 86 countries at all income levels are working with the World Bank Group on strategic approaches to transform their human capital outcomes.

LESSON ROUND-UP

- International Institutions like the International Finance Corporation, Asian Development Bank, International Monetary Fund, World Bank etc. provide finance to various development activities to its member countries.
- IFC provides a wide range of investment and advisory services and offers innovative financial products to private sector projects in developing countries.
- The Asian Development Bank (ADB) assists its members and partners by providing loans, technical assistance, grants, and equity investments to promote social and economic development.

- The International Monetary Fund (IMF) is an organization of 191 countries, working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
- World Bank is an international organization affiliated with the United Nations (UN) and designed to finance projects that enhance the economic development of member states.
- There are five constituent institutions under World Bank namely the International Bank for Reconstruction and Development (IBRD), The International Development Association (IDA), The International Finance Corporation (IFC), The Multilateral Investment Guarantee Agency (MIGA) and The International Centre for Settlement of Investment Disputes (ICSID).

GLOSSARY

Blended Finance: Blended concessional finance is the combination of concessional finance from donors or third parties, with the normal account finance of development finance institutions (DFIs) and/or commercial finance from other investors, used to develop private sector markets, address Sustainable Development Goals, and mobilize private resources.

Green Bond: A green bond is a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects.

Social Impact Bond: A social impact bond is a type of financial security that provides capital to the public sector to fund projects that will create better social outcomes and lead to savings.

Human capital: It consists of the knowledge, skills, and health that people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of society.

TEST YOURSELF

(These are meant for recapitulation only. Answer to these questions are not to be submitted for evaluation.)

1. "Achieving a prosperous, inclusive, resilient and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty" - Justify the mission of Asian Development Bank in your own words?
2. Distinguish between Asian Development Bank and International Monetary Fund?
3. International Monetary Fund (IMF) plays a vital role in the global economy. Explain its mission and activities?
4. Write a brief note on World Bank. Also, write five constituent institutions under World Bank?
5. Is International Finance Corporation (IFC) part of World Bank? Briefly write the functions of IFC?

LIST OF FURTHER READINGS

- https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023
- https://www.imf.org/en/Publications/GFSR/Issues/2022/10/11/global-financial-stability-report-october-2022

- https://www.ifc.org/wps/wcm/connect/CORP_EXT_Content/IFC_External_Corporate_Site/Annual+Report
- https://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/about+ifc_new/investor+relations/ir-info/presentations+and+factsheets
- https://www.worldbank.org/en/research
- https://www.adb.org/what-we-do/main

OTHER REFERENCES

1. https://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/home
2. https://www.adb.org/
3. https://www.imf.org/en/About
4. https://www.worldbank.org/en/home