

ASHUK GARG

Introduction:-

- A conference was held at bretton woods in america in 1944.
- The conference was attented by the representative of 44 countries.
- It was decided that two istitutions be set up for economic development of all countries.

IMF [international monetary fund]

IBRD[International bank for reconstruction and development]

Finally, the bank was established on 27 dec 1945.



World bank logo



WORLD BANK HEADQUARTERS Washington, D.C.

Membership of world bank :-

- In july 2016, membership of world bank increased to 189 countries.
- Any country that is a member of IMF will automatically become the member of world bank.
- Those countries who accepted the membership of IMF in 1945 were also treated as the member of world bank.

LENDING ACTIVITIES OF WORLD BANK

- 1. Bank provides loans to member nations :-
- I. Out of its funds.
- II. Out of fund raised from International market.
- III. By providing guarantee to provide Investors for loan given by them to its member nations.
- 2. Maturity Period and Interest rate:-
- I. Maturity period of loans is sometimes very long.
- II. Some developed loans have maturity **period of 35 years** including **grace period of 10 years**.
- III. Interest rate on special development credit is very less and it usually range from 0.5% to 0.75% p.a

Purpose of loan:-

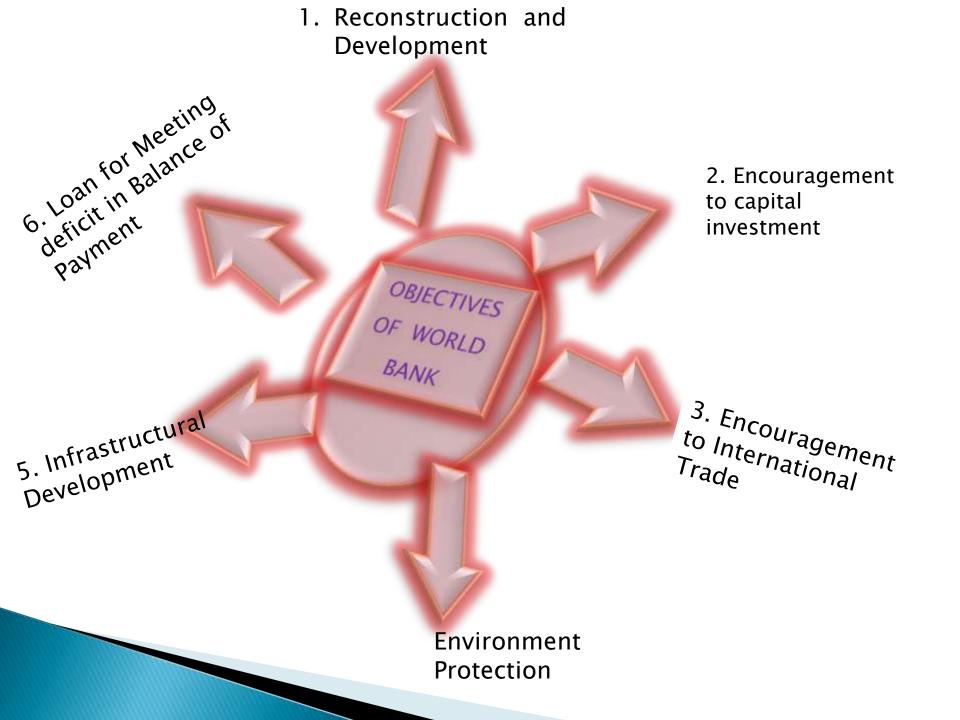
- I. Bank gives loan for Infrastructure (railways &roads, ports etc.)
- II. For human development(education, health care)
- III. For agriculture and rural deelopment
- IV. Power generation.

The bank grants loans as:-

Power sector:- 30% of the total loans.

Transport sector:- 30% of the total loans.

Industrial sector:-40% of the loans.





BOARD OF GOVERNOR BOARD OF EXECUTIVE DIRECTORS

ADVISORY COUNCIL

LOAN COMMITEE

PRESIDENT

WORLD BANK'S
CURRENT
PRESIDENT—JIM
YONG KIM



PREVIOUS
PRESIDENTROBERT
ZOELLICK

FUNCTIONS OF WORLD BANK

1. ADVANCES LOAN

EL DONE WILL

2. TECHNICAL ASSISTANCE

3. IMPART TRAININGS

4. AGRICULTURE & RURAL DEVELOPMENT

5. PROVIDE FINANCIAL ASSISTANCE TO WORLD WELFARE INSTITUTION

6. CONDUCT ECONOMIC RESEARCH

LIMITATIONS OF WORLD BANK

- INADEQUATE FINANCIAL HELP
- DISCRIMINATING BEHAVIOUR
- HIGH RATE OF INTEREST
- DEFECTIVE LOAN POLICY
- LOAN FOR LIMITED OBJECTIVE
- REPAYMENT OF LOAN IN FORIGN CURRENCY
- INTERFERENCE IN DOMESTIC AFFAIRS

AFFILIATES TO WORLD BANK



ESTD.- IN 1960
INTERNATIONAL DEVELOPMENT ASSOCIATION

ESTD.-APRIL 1988

MULTINATIONAL INVESTMENT

GUARANTEE AGENCY



ESTD.JULY 1956
INTERNATIONAL FINANCE CORPORATION



ESTD.-1966

INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

CONCLUSION

- Though there are many controversies in world bank policies, still it turns rich countries resource in poor countries growth.
- The world bank supports the developing country government in various development programs.