

International Finance

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MISSION AND OBJECTIVES

- ITC's mission is to foster sustainable economic development and contribute to achieving the Millennium Development Goals in developing countries and countries with economies in transition through trade and international business development.



ITC'S STRATEGIC OBJECTIVES

- Building Awareness and improving the availability and use of trade intelligence
- Strengthening TSIs
- Enhancing policies for the benefit of exporting enterprises.
- Building the export capacity of enterprises to respond to market opportunities
- Mainstream inclusiveness and sustainability into trade promotion and export development policies.

ACTIVITIES OF THE ITC

- The measure of ITC's success is in job creation, poverty reduction, improved community welfare, and increased revenue for businesses and communities.
- Therefore the measurement of its success – are determined by the commercial viability of the project along with its development impact.

- Contributing to poverty reduction by boosting trade is a key objective of ITC's trade related technical assistance (TRTA).
- E.g The trade at hand programme in Uganda and Tanzania where mobile phone-based business-matching service that facilitates transactions between agricultural producers and traders by linking the producers to markets and market information.

- ITC facilitates export development that assures commercial viability of individual companies, empowers women economically, and works towards inclusive economic, social and environmental sustainability
- ITC assists small export businesses in developing countries to be successful.
- We do this by continually delivering, with our partners, trade development solutions to the private sector, trade support institutions and policymakers.

IBRD PROFILE

- Also known as '**World Bank**'
- Type - International organization
- Purpose/focus - Crediting
- Location - Washington DC
- Membership - 188 countries
- President – Jim Yong Kim
- Website - <http://www.worldbank.org>

Introduction

- Established in **1944** as the original institution of the World Bank Group, IBRD is structured like a cooperative that is owned and operated for the benefit of its **188 member countries**.
- The **World Bank** is an **international financial institution** that provides long term capital assistance to developing countries for capital programmes.
- The World Bank has a **goal of reducing poverty**.
- By law, all of its decisions must be guided by a commitment **to promote foreign investment, international trade and facilitate capital investment**.

WORLD BANK GROUP

WORLD BANK

IBRD - International Bank for Reconstruction and Development

IDA - International Development Association

OTHER ORGANIZATIONS

IFC - International Finance Corporation

MIGA - Multilateral Investment Guarantee Agency

ICSID - International Centre for Settlement of Investment Disputes

History of IBRD

- The World Bank is one of five institutions created at the Bretton Woods Conference in 1944.
- Delegates from many countries attended the Bretton Woods Conference. The most powerful countries in attendance were the United States and United Kingdom which dominated negotiations.
- Although both are based in Washington, D.C., the World Bank is, by custom, headed by an American, while the IMF is led by a European.
- Until 1967 the bank undertook a relatively low level of lending.
- From 1989, World Bank policy changed in response to criticism from many groups. Environmental groups and NGOs were incorporated in the lending of the bank in order to mitigate the effects of the past that prompted such harsh criticism. Bank projects "include" green concerns.

Functions of IBRD

- To assist in the reconstruction & development of its member countries.
- To promote private foreign investment.
- To promote balanced growth of international trade.
- To bring about a smooth transition from a war time economy to peace time economy.
- IBRD aims to reduce poverty in middle-income and creditworthy poorer countries by promoting sustainable development through loans, guarantees, risk management products, and analytical and advisory services.

Membership

- All countries which are members of IMF are members of World bank.
- A country holding the membership of bank must subscribe to the charter of the bank.
- If a country resigns its membership, it is required to pay back all loans granted to it through interest on due date.
- Each member of the world bank has a capital subscription which is similar to but not identical with its quota in the fund.
- The member's subscription also measures roughly its voting power, but again the smaller nations have a slightly higher vote.

Activities by IBRD



- Basic education and health services
- Safety needs
- Infrastructure development
- Environment protection
- Private sector development
- Governance and investment climate
- Technical assistance