

# FM discusses capital adequacy framework with World Bank, ADB

**ASIT RANJAN MISHRA**

New Delhi, 10 September

Finance Minister Nirmala Sitharaman on Sunday met World Bank President Ajay Banga and Asian Development Bank (ADB) chief Masasugu Asakawa on the sidelines of the G20 Leaders' Summit and called for speedier implementation of capital adequacy framework measures by multilateral development banks (MDBs).

Banga and Sitharaman discussed the outcomes of G20 India Presidency, the evolution of the World Bank Group and their engagement with India through knowledge exchange and financial assistance for developmental projects, among other issues. Sitharaman said she looked forward to the leadership of Banga in taking forward the recommendations on the triple agenda contained in the Volume-1 of the Independent Experts Group on Strengthening MDBs, a finance ministry statement said.

Sitharaman and Banga stated that they looked forward to Volume 2 of the report that would be submitted during the 4th Finance

Ministers and Central Bank Governors (FMCBG) meeting in Morocco in October.

During the meeting, Banga agreed to work closely with India's Department of Economic Affairs to create a market structure from the Corporate Social Responsibility demand side for maximising social impact.

Sitharaman was apprised by the World Bank team of the developments and progress in sectors of municipal financing, logistics, skilling, knowledge partnership, solar energy in the agriculture sector among others. In her meeting with ADB president Asakawa, Sitharaman hailed the role of MDBs in the preparation of the International Financial Architecture Working Group's G20 Roadmap and emphasised the need for additional push by the MDB ecosystem as well as the relevant stakeholders to step up the implementation of Capital Adequacy Framework measures.

Asakawa reiterated that ADB aims to be the climate bank for the Asia and Pacific and committed that a green financing facility is being developed by ADB for providing concessional finance for India to realise this vision.