



KAMARAJ IAS ACADEMY
Only IAS Academy by Grandson of "Perunthalaivar Kamarajar"

Asian Development Bank (ADB)

Published On: 19-09-2022

Why is in news? India emerges as Sri Lanka's largest bilateral lender overtaking China

- Since the beginning of 2022, Sri Lanka has experienced an **escalating economic crisis and the government has defaulted on its foreign loans**.
- Sri Lanka is battling a severe economic crisis with food and fuel scarcity affecting a large number of the people in the island nation.
- India has been at **forefront of extending economic assistance to Sri Lanka** as per their requirements and is one of the countries that have provided the maximum amount of assistance in time of need.
- India had provided nearly 4 billion dollars in **food and financial assistance** to Sri Lanka. On August 22, India handed over 21,000 tonnes of **fertilizer** to crisis-ridden Sri Lanka.
- India has **emerged as the largest bilateral lender for Sri Lanka, overtaking China**.
- India has provided a total of 968 million US dollars in loans to the island nation in four months of 2022.
- **Asian Development Bank (ADB)** has been the largest multilateral lender in the past five years and disbursed funds amounting to 610 million dollars in 2021.
- The Asian Development Bank (ADB) is a **regional development bank** established on 19 December 1966, which is headquartered **Manila, Philippines**.
- It **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.
- From 31 members at its establishment, ADB now has **68 members**.
- ADB's **five largest shareholders** are **Japan and the United States** (each with 15.6% of total shares), **the People's Republic of China** (6.4%), **India** (6.3%), and **Australia** (5.8%).
- The specific purpose is to foster the **economic growth of the Asian and the Pacific regions**. Its basic objective is to encourage economic and financial co-operation among the member countries. It helps them to start new projects without any fear of lack of finance.

Kamaraj IAS Academy

Plot A P.127, AF block, 6 th street, 11th Main Rd, Shanthy Colony, Anna Nagar, Chennai, Tamil Nadu 600040

Phone: **044 4353 9988 / 98403 94477 / Whatsapp : 09710729833**