

**INTERNATIONAL CREDIT INSTITUTIONS:**

**Asian development Bank:**

**Origin:**

During 1939s and 70s the world witnessed the rapid increase in international trade and economic activity. This not only increased prosperity in various countries but also give rise to an increased demand of foreign capital and finance. To solve this problem IDA was founded in 1960 as an affiliate of the world bank (formerly the IBRD).

**Capital & Management:**

The bank's authorized capital is US\$ 8409.5 million. The subscribed capital is US\$ 8206.7 million & paid up capital is US\$ 1609.1 million some affairs are one governor and one alternate governor. The general discretionary powers of the bank are vested in twelve members Board of Directors.

**Functions:**

1. It provides financial assistance to underdeveloped and developing countries.
2. It helps in promotion trade and commerce among member countries.
3. It also helps developing countries in paying off their foreign debts.
4. It also arranges loans from WB and IMF.
5. It helps in provision of technical assistance for the development projects of developing countries.

**Special Funds:**

The ADB has established different funds for the better utilization of bank's resources. The funds include. Asian Development Fund (ADF), Agricultural Special Fund (ASF) etc.

**ADB and Pakistan:**

Pakistan has been seeking monetary assistance from ADB since, long. It has helped Pakistan in meeting temporary financial crises. It has also help in the process of debt servicing. Recently ADB has also granted a loan from the poverty alleviation of the government.