

China Says Consensus Reached on \$100 Billion BRICS Bank

By [The Moscow Times](#)

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BEIJING — The five BRICS nations have reached a broad consensus on their \$100 billion development bank though some differences remain, a senior Chinese diplomat said Monday ahead of a summit in Brazil next week to be attended by President Xi Jinping.

The new bank will symbolize the growing influence of emerging economies in the global financial architecture long dominated by the U.S. and Europe through the International Monetary Fund and the World Bank.

Leaders of Brazil, Russia, India, China and South Africa are expected to sign a treaty to launch the bank officially when they meet at a BRICS summit in the northern Brazilian city of Fortaleza on July 15.

Negotiations to create the lender have dragged on for two years, with some members growing weary of China's desire to have a bigger stake in the bank by putting in more capital.

A senior Brazilian government official said in May the five BRICS nations were likely to agree to fund the bank equally, giving them the same rights.

Briefing reporters ahead of the summit, Chinese Vice Foreign Minister Li Baodong would not be drawn on the specifics of the share structure, but was optimistic.

"On the BRICS development bank, all parties have extensive consensus on this issue. Of course there are a few differences and different viewpoints on technical issues," Li said.

"We are fully confident that we can reach consensus and establish the BRICS development bank at this meeting," he added.

"On this type of technical issue, BRICS members must establish consensus through friendly consultation," Li said, referring to the bank shares issue. "There are all kinds of different considerations, but the goal is to establish the BRICS bank as soon as possible."

The bank will have to be ratified by the countries' legislatures and could begin lending in two years, the Brazilian official told Reuters earlier.

The new development bank would help cover growing demand for project financing that has not been entirely met by global multilaterals, which, for years, have been heavily criticized for meddling in the domestic policies of sovereign borrowers.

The BRICS also need to decide if the bank will be based in New Delhi, Shanghai, Johannesburg or Moscow. Brazil will not offer headquarters because of upcoming presidential elections that could delay negotiations, the Brazilian official said.

See also:

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