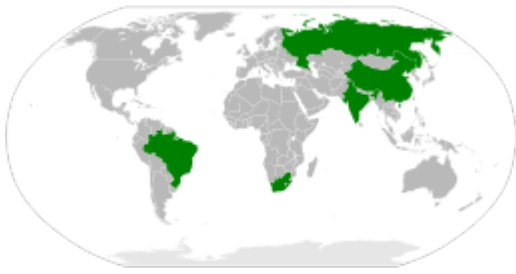


A NEW BANK FOR THE BRICS

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The finance ministers of the five countries that make up the [BRICS](#): Brazil, Russia, India, China and South Africa have signed a treaty establishing the *New Development Bank and Contingency Reserve Agreement*.

The entity will have an initial disbursement of 50,000 million dollars contributed in equal parts, while the fund begins its journey with 100,000 million dollars, China being the country with the highest contribution (41,000 million Colares) followed by Russia, Brazil and India with a contribution of 18,000 million each, which is completed with 5,000 million contributed by South Africa.

The objective of this New Development Bank will be to finance infrastructure projects in the BRICS countries, but it will also offer capital to other developing countries as an alternative financial mechanism. On the other hand, the Fund will be used only by the BRICS countries for financial contingencies.

The creation of this new Bank is outlined as a great step for the development of these countries and the Reserve Agreement will serve to contain the market volatility, in short, both initiatives become a safety net for the five largest emerging economies in the world.

There are no comments yet.