Government of India & AIIB sign an Agreement for $750 Million for COVID-19 support for India

- The Government of India and the Asian Infrastructure Investment Bank (AIIB) here today signed a $750 million “COVID-19 Active Response and Expenditure Support Programme” to assist India to strengthen its response to the adverse impacts of the COVID-19 pandemic on poor and vulnerable households. This is the first ever budgetary support programme from the AIIB to India.
- AIIB’s assistance for the government’s immediate response to the coronavirus pandemic to provide social assistance for compensating economic loss to vulnerable sections including women and social security measures enhanced for affected workers in both organised and informal sectors.
- The Programme will provide the Government of India with budget support to mitigate the severe adverse social and economic impact of COVID-19.
- The current loan will be the second to India from AIIB under its COVID-19 crisis recovery facility apart from the earlier approved $500 million loan for the COVID-19 Emergency Response and Health Systems Preparedness Project.

Beneficiaries

- The Primary Programme beneficiaries would be families below the poverty line, farmers, healthcare workers, women, women’s self-help groups, widows, people with disabilities, senior citizens, low wage earners, construction workers and other vulnerable groups.
- The project is being financed by the Asian Infrastructure Investment Bank (AIIB) and Asian Development Bank (ADB) in the amount of $2.250 billion, of which $750 million will be provided by AIIB and $1.5 billion will be provided by ADB.
- The project will be executed by the Department of Economic Affairs, Ministry of Finance, through various line ministries.

About AIIB

- Asian Infrastructure Investment Bank (AIIB) is a multilateral development bank with a mission to improve social and economic outcomes in Asia and beyond.
- It is headquartered in Beijing.
- It commenced operations in January 2016.
- By investing in sustainable infrastructure and other productive sectors today, it aims to connect people, services and markets that over time will impact the lives of billions and build a better future.
- Jin Liqun is a Chinese politician, banker, and professor. He is currently the President of the Asian Infrastructure Investment Bank (AIIB).
- The President of AIIB has a tenure of 5 years.

Various organs of AIIB:

1. Board of Governors: The Board of Governors consists of one Governor and one Alternate Governor appointed by each member country. Governors and Alternate Governors serve at the pleasure of the appointing member.
2. Board of Directors: Non-resident Board of Directors is responsible for the direction of the Bank’s general operations, exercising all powers delegated to it by the Board of
Governors. This includes approving the Bank’s strategy, annual plan and budget; establishing policies; taking decisions concerning Bank operations; and supervising management and operation of the Bank and establishing an oversight mechanism.

3. International Advisory Panel: The Bank has established an International Advisory Panel (IAP) to support the President and Senior Management on the Bank’s strategies and policies as well as on general operational issues. The Panel meets in tandem with the Bank’s Annual Meeting, or as requested by the President. The President selects and appoints members of the IAP to two-year terms. Panelists receive a small honorarium and do not receive a salary. The Bank pays the costs associated with Panel meetings.