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Q67

Consider the following statements: 1. New Development Bank has been set up by APEC. 2. The headquarters of New Development Bank is in Shanghai. Which of the statements given above is/are correct? (a) 1 only (b) 2 only (c) Both 1 and 2 (d) Neither 1 nor 2
Official key: B.

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Explanation**(a)**

Statement 1 says the New Development Bank was set up by **APEC**. NDB is the BRICS bank (Brazil, Russia, India, China, South Africa), created at the 2014 Fortaleza summit, not an **APEC** institution. 1 only is therefore wrong.

(b) Official key

The headquarters of the New Development Bank is in Shanghai. Statement 2 is correct and statement 1 is not, so 2 only is the official key.

(c)

Both would require an **APEC** origin. NDB is BRICS, so both is not the key.

(d)

Neither would deny the Shanghai headquarters, which is correct. This option is therefore wrong.

Summary

Official key is (b) 2 only. The New Development Bank is a BRICS multilateral lender headquartered in Shanghai, with a later regional office in Johannesburg and an Indian regional office in Gujarat. **APEC** is a Pacific economic forum and did not found NDB. Confusing NDB with **AIIB** (Beijing) or with **APEC** is a common trap. Only the headquarters statement stands.

Related possible facts

These can be asked in a future Prelims paper.

Fortaleza Declaration

2014 BRICS summit that agreed to establish NDB

First President

K. V. Kamath of India

AIIB

Asian Infrastructure Investment Bank, HQ Beijing; distinct from NDB

APEC

Asia-Pacific Economic Cooperation; not a development bank

Equal shareholding

Initial BRICS members subscribed equal capital

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