

AGREEMENT ESTABLISHING THE INTER-AMERICAN DEVELOPMENT BANK

The countries on whose behalf this Agreement is signed agree to create the Inter-American Development Bank, which shall operate in accordance with the following provisions:

ARTICLE I

Purpose and Functions

Section 1. Purpose

The purpose of the Bank shall be to contribute to the acceleration of the process of economic development of the member countries, individually and collectively.

Section 2. Functions

- (a) To implement its purpose, the Bank shall have the following functions:
 - (i) to promote the investment of public and private capital for development purposes;
 - (ii) to utilize its own capital, funds raised by it in financial markets, and other available resources, for financing the development of the member countries, giving priority to those loans and guarantees that will contribute most effectively to their economic growth;
 - (iii) to encourage private investment in projects, enterprises, and activities contributing to economic development and to supplement private investment when private capital is not available on reasonable terms and conditions;
 - (iv) to cooperate with the member countries to orient their development policies toward a better utilization of their resources, in a manner consistent with the objectives of making their economies more complementary and of fostering the orderly growth of their foreign trade; and
 - (v) to provide technical assistance for the preparation, financing, and implementation of development plans and projects, including the study of priorities and the formulation of specific project proposals.
- (b) In carrying out its functions, the Bank shall cooperate as far as possible with national and international institutions and with private sources supplying investment capital.

ARTICLE II

Membership in and Capital of the Bank

Section 1. Membership

- (a) The original members of the Bank shall be those members of the Organization of American States which, by the date specified in Article XV, Section 1 (a), shall accept membership in the Bank.