

# THE CHINA DEVELOPMENT BANK

This factsheet is an updated version of the factsheet "Development Banks in the BRICS Countries", published in 2013 by the BRICS Policy Center and Ibase.



BRICS Policy Center Centro de Estudos e Pesquisas - BRICS



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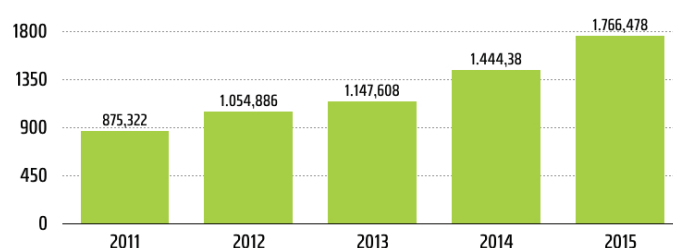
AUTHOR BRICS Policy Center

## Nature and Purpose

- China Development Bank (CDB) was created in 1994. In the same year, two other banks were created: Eximbank and Agricultural Development Bank of China.
- CDB provides medium and long term financing aiming at the development of the development of China's economy, focusing on the following areas: national infrastructure, primary industry and urban and regional development, mainly through financing to small companies, rural investment and environmental initiatives.
- CDB is an integrally public bank, under the responsibility of the State Council of the People's Republic of China.
- The Bank has 38 offices (including its Hong Kong office) and five offices abroad: Cairo, Moscow, Rio de Janeiro, Caracas and London.

### Total Assets (in millions of USD)

Source: The author, based on CDB 2016 Annual Reports



国家开发银行  
CHINA DEVELOPMENT BANK

## Where do resources come from?

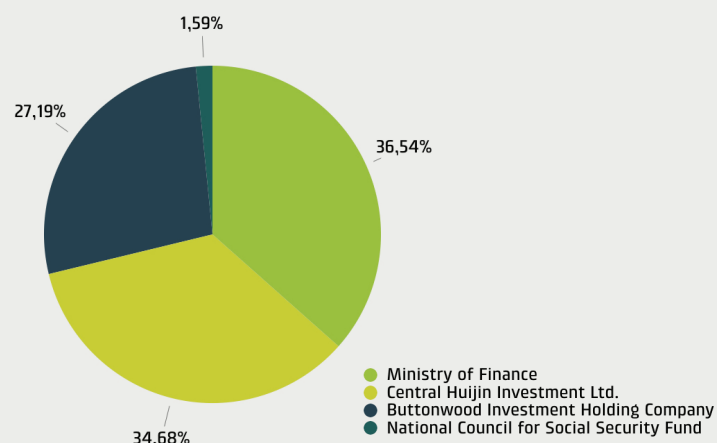
- CDB has four shareholders: the Ministry of Finance, Central Huijin Investment Ltd., the National Council for Social Security Fund and the Buttonwood Investment Bank.
- The Ministry of Finance is a unit of the State Council. It consists of the administrative and regulatory body responsible for managing fiscal revenues and expenses. Its activities include the formulation of budgetary and fiscal policies and financial supervision.
- Huijin is an integrally state-owned limited society, constituted in conformity with the Company Law of the People's Republic of China. With authorization from the State Council, Central Huijin Investment Ltd. fulfills the role of investing in the main state-owned financial institutions, within the limits of its contributions and in conformity with applicable laws and regulations.
- The National Council for Social Security Fund is a governmental agency responsible for the management and functioning of the National Social Security Fund. It is under direct leadership and supervision of the State Council, or an authorized Department by the State Council.
- Buttonwood Investment Bank was created in 2014 and belongs to China's State Administration of Foreign Exchange. Its objective is to diversify channels of investment of China's foreign exchange reserves. In July 2015,

it made a capital injection of US\$ 48 billion and acquired 1,59% of CDB's shares.

- A large part of funds raised by the bank comes from the issuance of debt bonds: Besides Treasury bonds and CDB's own bonds, the bank has launched a series of new products and obligations.

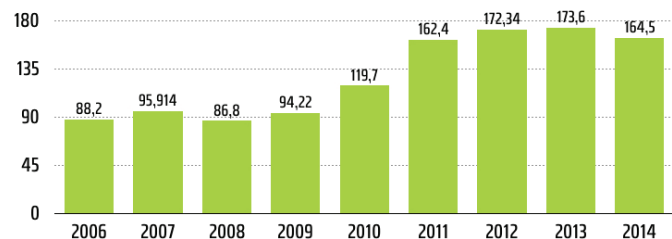
### CDB Equity

Source: The author, based on CDB 2016 Annual Reports



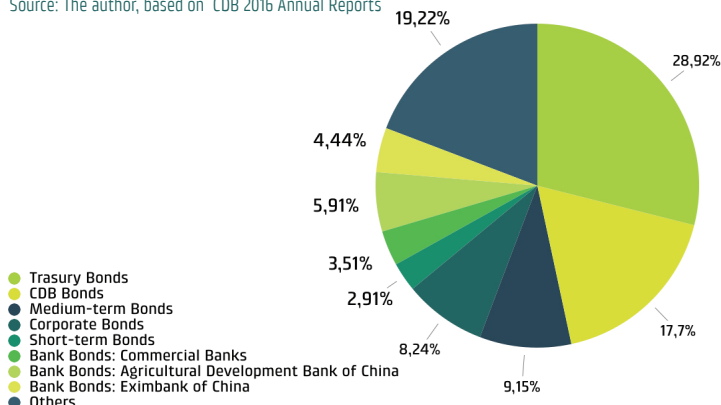
## Debt Issued (in millions of USD)

Source: The author, based on CDB 2016 Annual Reports



## Debt Issued by Market Share (2014)

Source: The author, based on CDB 2016 Annual Reports



## How does it work?

### CDB DEVELOPMENT FUND

was created in August 2015 with a social capital of US\$ 7 billion and the main objective of supporting the construction of projects in key-sectors for economic development recognized by the state. The investment is conducted via capital investments, loans to shareholders and investment and financing to company funds. This subsidiary represents the greatest innovation of the reform of Chinese financial market and investments.

### CDB CAPITAL CO.

was created in 2009, with a focus on urban development, industrial investment, foreign investment and funds management. In 2015, its social capital surpassed US\$ 15 billion. It is the only investment institution licensed for investing in RMB in the Chinese banking system, and is defined as one of CDB's platforms to serve national strategies.

### CDB LEASING CO.

was created in 2008, with a social capital of US\$ 1.25 billion. It operates with leasing in the fields of aviation, naval construction, transport, commercial vehicles, engineering equipment, basic infrastructure industry, social housing and small and medium-sized enterprises. In 2015, it registered a social capital of over US\$ 21 billion.

**CDB has six subsidiaries, distributed throughout the national territory:**

### CDB SECURITIES CO.

was created in 2010, and its activities include: Mergers and acquisitions, subscription of securities, brokerage businesses and asset management. In 2015, its total assets reached over US\$ 6 billion.

### VILLAGE BANK CO.

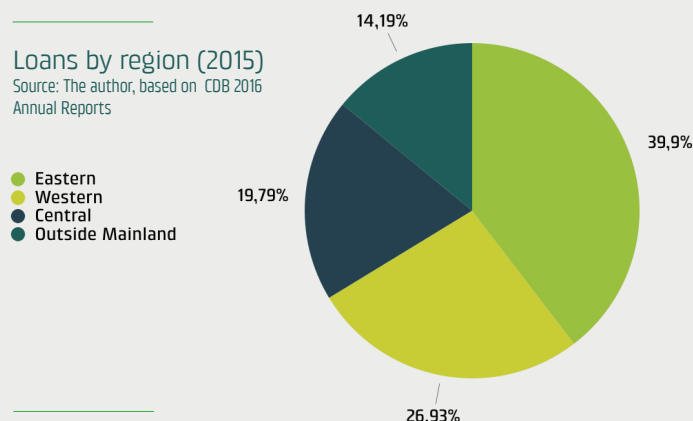
runs operations concentrated in the rural the rural economy of China. In 2015, the bank invested directly in 13 village banks as subsidiaries.

### CHINA-AFRICA DEVELOPMENT FUND

was created in 2007, aiming at investment operations and consultancy for Chinese companies in Africa.

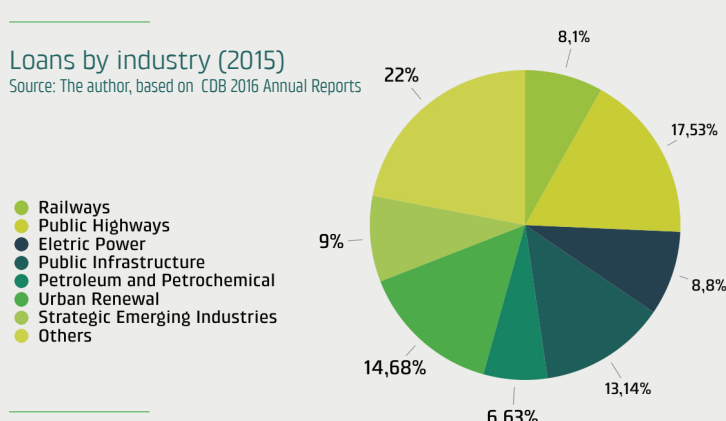
## Loans by region (2015)

Source: The author, based on CDB 2016 Annual Reports



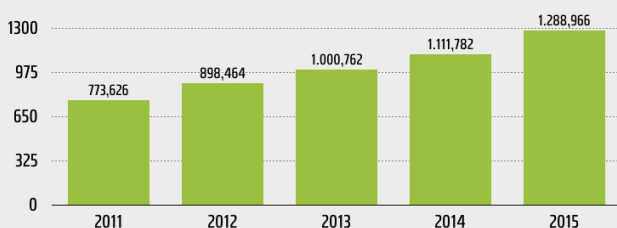
## Loans by industry (2015)

Source: The author, based on CDB 2016 Annual Reports



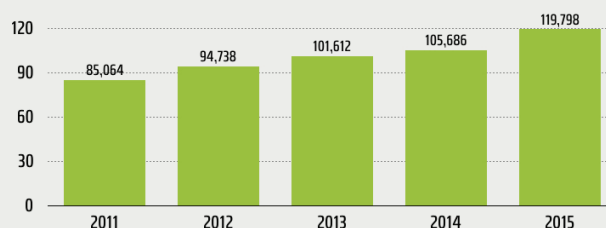
## Outstanding Loans (in millions of USD)

Source: The author, based on CDB 2016 Annual Reports



## Rural Development Loans

Source: The author, based on CDB 2016 Annual Reports



# Export-Import Bank (Eximbank)

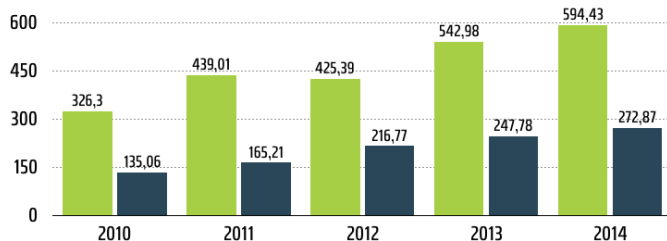


## Nature and Purpose

- China's Export-Import Bank (Eximbank), created in 1994, acts under the direct supervision of the State Council.
- Its operations aim at the facilitation of the export and import of Chinese mechanic and electronic goods, equipment and new/high technologies.
- It is headquartered in Beijing, with 29 domestic branches, one branch in Hong Kong and four representation offices abroad (Southern and Eastern Africa, North and Western Africa, Paris and St. Petersburg).

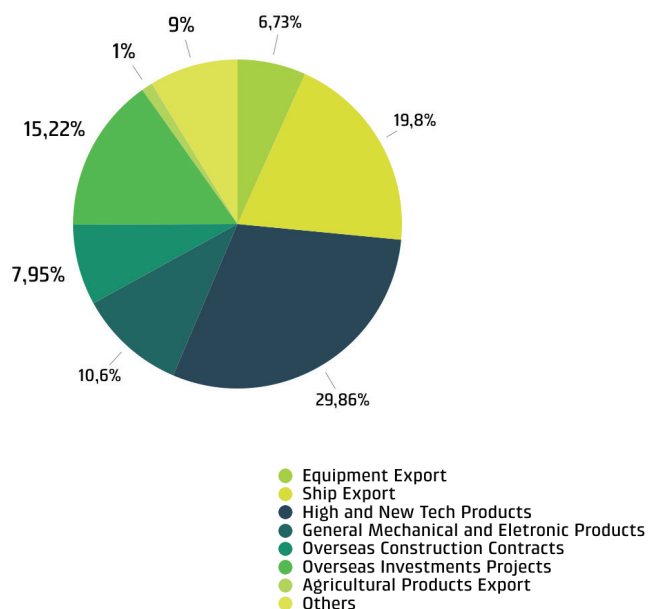
### Disbursement (in millions of USD)

Source: The author, based on The Export-Import Bank of China Annual Report For 2016



### Disbursement of Export Seller by Sector (2014)

Source: The author, based on The Export-Import Bank of China Annual Report For 2016



# Agricultural Development Bank of China (ADBC)

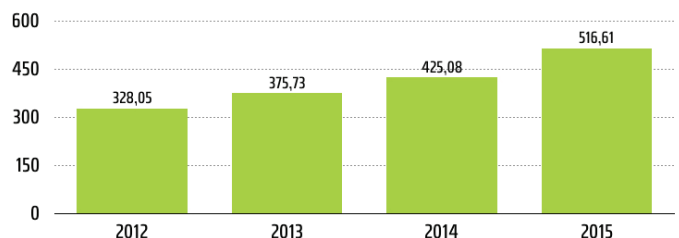
## Nature and Purpose

- The Agriculture Development Bank of China (ADBC) is a state-owned agricultural policy bank under the direct administration of the State Council, established by Memo No. 25, 1994, of the State Council. The Bank's operations are regulated by China Banking Regulatory Commission.
- The objective of ADBC is to promote the development of agriculture and rural zones, through the following activities: raising funds for agricultural policy companies; fomenting agricultural policy credit companies specified by the central government; and support commercial establishments related to agriculture.
- Headquartered in Beijing, ADBC has branches and sub-branches distributed throughout the Chinese territory.



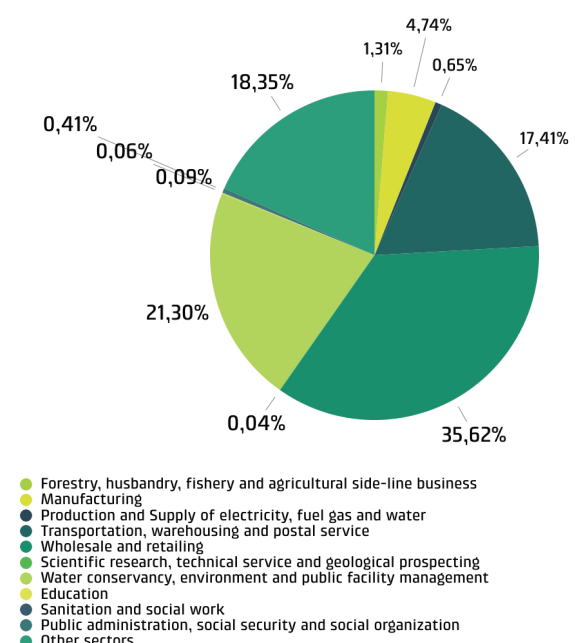
### Outstanding Loans (in millions of USD)

Source: ADBC Annual Report, 2013 and 2015



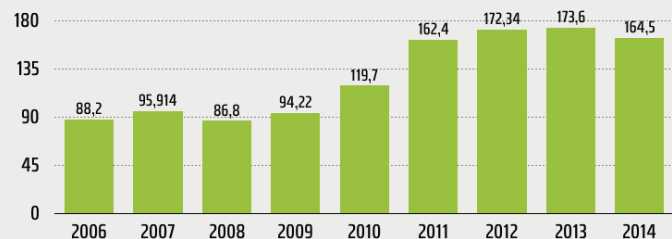
### DBSA International Disbursements by Sector – 2016

Source: The author's based on DBSA Annual Report (2016)



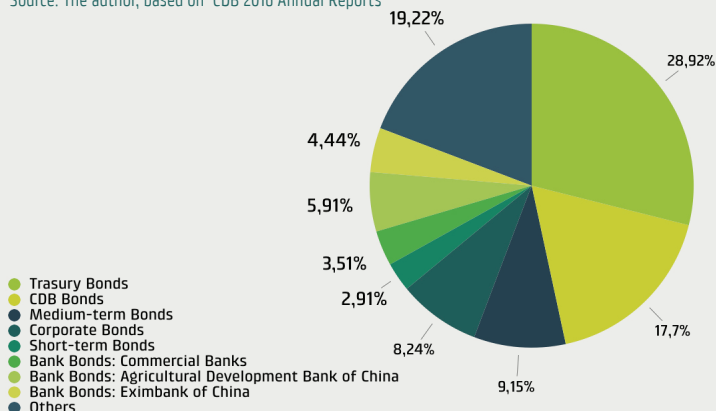
## Debt Issued (in millions of USD)

Source: The author, based on CDB 2016 Annual Reports



## Debt Issued by Market Share (2014)

Source: The author, based on CDB 2016 Annual Reports



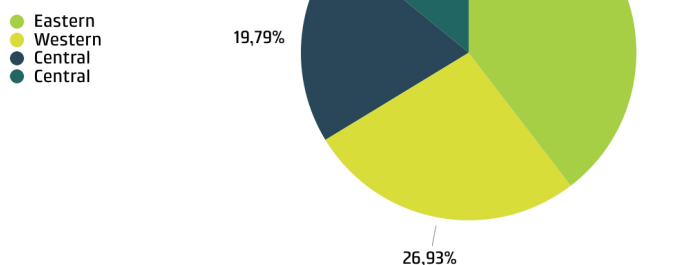
## How does it work?

### CDB has six subsidiaries, distributed throughout the national territory:

1. **CDB Development Fund** was created in August 2015 with a social capital of US\$ 7 billion and the main objective of supporting the construction of projects in key-sectors for economic development recognized by the state. The investment is conducted via capital investments, loans to shareholders and investment and financing to company funds. This subsidiary represents the greatest innovation of the reform of Chinese financial market and investments.
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3. **CDB Leasing Co.**, was created in 2008, with a social capital of US\$ 1.25 billion. It operates with leasing in the fields of aviation, naval construction, transport, commercial vehicles, engineering equipment, basic infrastructure industry, social housing and small and medium-sized enterprises. In 2015, it registered a social capital of over US\$ 21 billion.
4. **China-Africa Development Fund**, was created in 2007, for investment operations and consultancy for Chinese companies in Africa.
5. **Village Bank operations** are concentrated in the rural economy of China. In 2015, the bank invested directly in 13 village banks as subsidiaries.
6. **CDB Securities Co.**, was created in 2010, and its activities include: Mergers and acquisitions, subscription of securities, brokerage businesses and asset management. In 2015, its total assets reached over US\$ 6 billion.

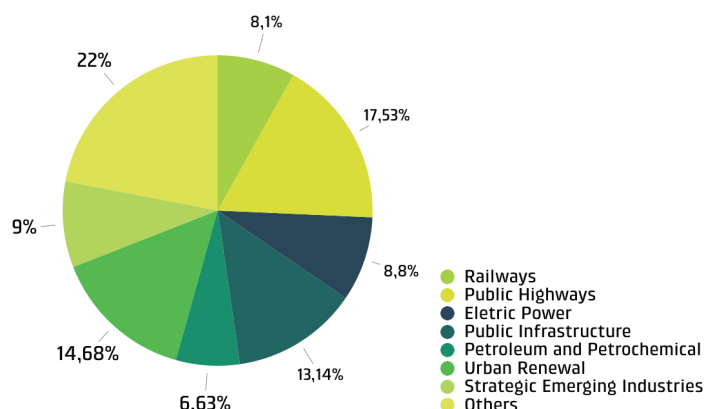
## Loans by region (2015)

Source: The author, based on CDB 2016 Annual Reports



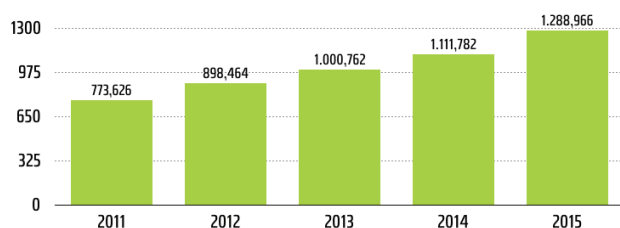
## Loans by industry (2015)

Source: The author, based on CDB 2016 Annual Reports



## Outstanding Loans (in millions of USD)

Source: The author, based on CDB 2016 Annual Reports



## Rural Development Loans

Source: The author, based on CDB 2016 Annual Reports

