CKN China Kennisnetwerk

Chinese Development Finance in a Shifting Global Order

Dr. Ruben Gonzalez-Vicente
Dr. Jue Wang

November 2025

About the authors

Ruben Gonzalez-Vicente is Associate Professor in Political Economy at the University of Birmingham. His research focuses on South–South relations, with particular attention to China, Latin America, and the Caribbean. He is an editor for the *Global China Pulse* and the *People's Map of Global China*. Before joining the University of Birmingham, he was Assistant Professor at the City University of Hong Kong (2012–2016) and University Lecturer at Leiden University (2017–2021).

Jue Wang is a University Lecturer at the Leiden University Institute for Area Studies. She is a scholar of the Chinese economy and Global Political Economy, with expertise in development finance, international organisations, technology policies, and global governance. Her research has been published in *International Relations*, *Chinese Journal of International Politics*, *International Affairs*, and *Chinese Political Science Review*, among others. She is also a frequent media commentator on China and international political economy.

This report is a joint effort by both authors, whose names are listed in alphabetical order to reflect equal contribution. The authors are grateful for the contributions made by two research assistants– Joëlle Berg and Mengdi Zhu.

This report was published under the framework agreement for the China Knowledge Network (CKN) funded by the Dutch Ministry of Foreign Affairs, for knowledge exchange with all Dutch ministries regarding policy challenges and opportunities related to China. The responsibility for the content and expressed opinions lies solely with the authors. The network is managed by the Dutch ministry of Foreign Affairs, the Netherlands Institute of International Relations 'Clingendael' and the Leiden Asia Centre.

The Netherlands Institute of International Relations 'Clingendael' is a leading independent think tank and academy on international relations. The Leiden Asia Centre is an independent research centre affiliated with Leiden University. It serves as a hub for applied academic knowledge on modern Asia.

Table of Contents

1. Introduction

Some twenty years after the first major incursions of Chinese policy banks into the developing world, what some scholars once termed "patient capital" appears to have become, in many respects, less patient. A development finance model that initially stood apart—disconcerting for some, promising for others—has, in notable ways, converged with some forms of commercial finance it once contrasted with. At the same time, traditional donors and development lenders have selectively incorporated elements of the Chinese approach, particularly the idea that development finance should generate mutual benefits for both recipients and providers within a market-based framework.

Yet Chinese Development Finance (CDF) still differs—not only in its stated aims and the specificity of its delivery, but also in how it is perceived: as both a real and imagined alternative to dominant models of development cooperation. As some traditional donors increasingly demand commercial returns, and others—most notably the United States—have retreated from certain ideals of international solidarity through institutional restructuring and political retrenchment, many in the Global South view China as a pragmatic and respectful partner. Others, however, remain sceptical of China's approach, concerned that CDF is overly profit-oriented, narrowly focused on infrastructure, and prone to engaging only with central government elites.

After two decades of implementation and transformation—both within China and globally—this is a critical moment to reassess what CDF is and what it is becoming. How does it support, or hinder, the developmental aspirations of countries seeking to meet the Sustainable Development Goals (SDGs) by 2030? This report addresses these questions through a comprehensive review of evidence, drawing on Chinese and international scholarship, complemented by original research on Chinese official discourse and perspectives from both the Global South and North. The analysis develops what is, to our knowledge, the first integrated account of a broad range of relevant issues pertaining to CDF, highlighting how CDF is evolving, the opportunities and constraints it creates for partner countries, and the tensions it faces in balancing commercial imperatives with developmental ambitions.

The report is organised as follows. Section 2 outlines the international context in which CDF has emerged and evolved as an alternative source of development finance. Section 3 examines the discourses surrounding CDF within China, focusing on how it is framed and legitimised. Section 4 analyses the institutional architecture of CDF and the range of actors that cooperate and compete in shaping it. Section 5 examines CDF's engagement in the developing world, focusing on loan and project portfolios, contractual structures, policy space, debt dynamics, sustainability, and geopolitical context. Throughout, the report highlights the dynamic nature of CDF and highlights the following findings:

In Chinese official and academic discourse, overseas development finance is framed as an extension of the domestic model and as a central pillar of the Belt and Road Initiative and South–

South cooperation. In response to foreign criticism—particularly around "debt traps"—Chinese officials and scholars stress shared responsibility for debt outcomes, the voluntary nature of participation, and the absence of political conditionality. Increasingly, Chinese analysts advocate for "small and beautiful" projects that are modest in scale but high in social impact, aiming to strengthen CDF's alignment with the SDGs and improve perceptions abroad. At the same time, domestic discourse acknowledges operational shortcomings, from uneven safeguard practices to weak corporate social responsibility standards among some implementing firms.

CDF's institutional architecture is extensive but fragmented. Senior political leaders set strategic direction, while key ministries formulate policy and oversee coordination. Policy banks—the China Development Bank and the Export–Import (EXIM) Bank of China— alongside large state-owned commercial banks finance the majority of overseas projects, with state-owned enterprises dominating implementation. Strategic coordination is strong, but institutional rivalries, overlapping mandates, and differing operational priorities frequently challenge coherence. Co-financing with multilateral development finance institutions offers opportunities to align procedures and safeguards, but also exposes these differences.

The scope of CDF varies sharply between the domestic and international arenas. At home, development finance supports a broad array of objectives, from poverty alleviation and social welfare to industrial upgrading, the green transition, and infrastructure expansion. Abroad, the focus narrows to commercially bankable, capital-intensive infrastructure in transport, energy, and industrial sectors, with limited direct engagement in social sectors or institutional capacity-building. This divergence reflects institutional mandates, the incentives of policy and commercial banks, and the requirements for predictable returns in foreign markets.

Financing remains overwhelmingly debt-based. Contracts are highly standardised and lender-protective, incorporating clauses such as cross-default provisions, offshore escrow accounts, and "No Paris Club" commitments. These reduce repayment risks for lenders but can constrain borrower flexibility, particularly during debt distress or when working with other creditors. Growing recognition of these constraints has spurred some Chinese stakeholders to explore closer alignment with multilateral debt treatment frameworks.

CDF has entered a "post-peak" phase, marked by reduced sovereign lending, greater reliance on off-balance-sheet mechanisms, expanded use of public–private partnerships, and a modest but growing focus on green finance and digital infrastructure. While large-scale transport, energy, and industrial projects remain central, climate-related investments and digital connectivity are increasing—driven by rising debt risks in partner countries, underperformance in some flagship projects, and changes in China's domestic economy.

Borrower agency under CDF varies significantly. In countries with strong institutions and coherent policy frameworks, governments have used Chinese finance to advance national priorities and negotiate adjustments in project terms or scope. In weaker governance contexts, CDF has at times reinforced executive dominance, reduced public participation, and heightened fiscal vulnerabilities.

Debt sustainability remains a pressing concern. “Debt-trap” narratives oversimplify complex realities, but the commercial orientation of much CDF can increase repayment pressures in fiscally constrained settings. Effective management requires transparent loan disclosure, rigorous project appraisal, repayment structures aligned with macroeconomic stability, and improved coordination between Chinese lenders and multilateral creditors during debt restructuring.

Although Chinese policy discourse increasingly references environmental and social sustainability, resource allocation still favours projects with clear commercial returns. Implementation quality improves when borrower institutions enforce strong standards and when Chinese financiers adopt robust disclosure and stakeholder engagement practices. Co-financing with foreign development and commercial banks can combine Chinese speed and scale with international safeguards and procurement norms, though procedural alignment remains a challenge.

In sum, CDF today operates as a hybrid model: state-led yet market-sensitive, globally ambitious yet domestically anchored, commercially oriented yet couched in the language of partnership and South–South solidarity. Its future trajectory will depend both on China’s ability to balance commercial discipline with developmental ambition, and on the capacity of borrowers to engage strategically—leveraging competition among financiers, strengthening institutions, and aligning investments with long-term sustainable development.

2. Context

The rise of CDF in the early 21st century has taken place within a global development finance architecture long dominated by a small group of primarily Western-based donors and international financial institutions. This system, built on a foundation of multilateralism and formalised cooperation through institutions such as the World Bank, the International Monetary Fund (IMF), and the Organisation for Economic Co-operation and Development (OECD), has evolved over decades into a complex web of mechanisms, priorities, and governance standards. This section contextualises the emergence of CDF within that landscape, examining how it relates to—and interacts with—established forms of development finance. While a comprehensive historical overview is beyond our scope, several key features of the global development finance system that China came to engage with, partially challenge, and reshape from the early 2000s onwards are worth highlighting.

Mainstream development finance, with roots in the Bretton Woods institutions established in 1944, had by the 1990s and early 2000s settled into a familiar pattern: donor-led, market-oriented, and grounded in a strong belief in policy conditionality. On one side, institutions such as the IMF, the World Bank, and regional development banks provided finance while promoting and enforcing structural adjustment programmes and governance reforms. The emphasis was placed on macroeconomic stability, privatisation, market liberalisation, and fiscal restraint—principles intended to promote long-term growth and creditworthiness. However, these approaches often imposed short-term social costs on vulnerable populations and constrained the policy space available to recipient countries seeking to pursue development strategies outside of liberal market frameworks (Addison et al., 2005). On the other, the OECD's Development Assistance Committee (DAC) served as the key institutional hub for defining and standardising what counted as development assistance, effectively framing how development finance was understood and measured. The DAC set norms for Official Development Assistance (ODA), promoted policy conditionality, and encouraged alignment of aid flows with liberal governance models (Mawdsley, 2012; Zeitz, 2021). Donor governments emphasised aid effectiveness, coordination, and measurable results through frameworks such as the 2005 Paris Declaration and the 2008 Accra Agenda for Action (Mawdsley et al., 2014). Yet for many in the Global South, these frameworks were experienced as technocratic and top-down, with limited space for recipient countries to define their own priorities in line with their own visions of sustainable development (Singh, 2019).

Following the 1990s, mainstream development cooperation had increasingly moved away from large-scale, productivity-enhancing investments toward social sectors such as education and health. While infrastructure finance did not vanish, it declined as an overall percentage of foreign aid (Glennie, 2008). For example, by the early 2000s, the World Bank had reduced infrastructure investment to less than 30 percent of its total lending, while other donors followed suit, driven partly by shifting priorities and partly by the growing influence of environmental and human rights regulations and advocacy pressures (Katada and Liao, 2020: 453). Donor strategies increasingly shifted also towards financialised approaches such as microfinance, social enterprises, and public–private partnerships (Carroll, 2015; Mawdsley, 2015). Despite a renewed focus on poverty reduction, these strategies remained committed to market-based tools and risk-sharing arrangements that emphasised private sector engagement as a route to delivering sustainable development. Critics argued that such approaches—while innovative—sometimes sidelined core public investment needs, particularly in sectors such as water, sanitation or rural transport where market failures were acute or where returns on investment were long-term or uncertain (Griffith-Jones, 2016; Vervynckt and Romero, 2017).

By the early 2000s, scepticism toward traditional aid had grown among both donors and recipients. Some actors in the Global South expressed nostalgia for earlier eras of state-led infrastructural and industrial transformation—the kind of strategies that had propelled several Asian economies (Kim, 2011; Gonzalez-Vicente, 2019). China's own emphasis on infrastructure and growth-oriented finance became increasingly attractive in this evolving context. This approach was shaped in part by China's experience as a major recipient of Japanese aid during the 1980s and 1990s (Katada and Liao, 2020), but also by domestic pressures, including overaccumulation in the construction sector and the imperative to secure new markets (Gonzalez-Vicente, 2019). At the same time, mainstream development assistance came under growing scrutiny from policymakers, academics, and the public, contributing to the emergence of a so-called "post-aid world" characterised by waning donor enthusiasm and an increased reliance on alternative sources of finance, such as remittances, foreign direct investment, and philanthropic capital (Mawdsley et al., 2014).

It was into this evolving and contested environment that China began to emerge as a major provider of development finance. China entered as something of an outsider—not only because mainstream actors were hesitant to accommodate its distinct approach, but also because of China's decision to remain outside institutions such as the DAC, the Paris Club, and the OECD's Export Credit Group. This deliberate distancing allowed China to pursue a development cooperation model with greater strategic flexibility, unencumbered by many of the procedural and normative constraints that shaped traditional donor practices. This period also saw the arrival of other new or re-emerging donors, including India, Brazil, South Africa, Turkey, Saudi Arabia, Kuwait, the UAE, Russia, Israel, Venezuela, Thailand, and Mexico. Yet the scale and orientation of their involvement varied. Some, like Mexico, South Africa, and Brazil, focused on technical cooperation, peacekeeping, scholarships, and humanitarian relief, with little engagement in direct development finance (Faust and Neubert, 2010; Law Library of Congress, 2013; Studer, 2015). In contrast, China, India, Turkey, Saudi Arabia, Kuwait, the UAE, and Venezuela emerged as more significant providers of development finance. Among these, only Turkey joined both the DAC and the OECD Export Credit Group, signalling the decentring of the global development finance landscape.

Non-DAC donors employed a diverse set of tools including humanitarian grants, concessional or zero-interest loans, resource-backed loans, export credits to promote donor-country exports, and debt relief (UNDP, 2016; Chen, 2018). These were often delivered as blended packages that combined several elements, and in many cases included tied aid—requiring recipients to purchase goods or services from the donor country (Gonzalez-Vicente, 2019). Many of these instruments were not fundamentally new and were already present in the traditional development finance landscape. Blended finance predates China's rise, particularly through institutions like the International Finance Corporation, the DAC, and European development banks, which employed partial risk guarantees, co-financing agreements, and mechanisms to leverage private capital for infrastructure development. The term "blended finance" itself gained institutional traction in the 2010s, and many mainstream actors now view the combination of foreign aid and private finance as essential to delivering on the Sustainable Development Goals (SDGs). Nonetheless, critics have raised concerns about the burden placed on the public sector to safeguard commercial returns, warning that profit imperatives may undermine broader sustainable developmental objectives (Mawdsley and Hughes-McLure, 2024: 350). These debates underscore a fundamental tension within the SDG agenda: the drive for inclusive and equitable development coexists uneasily with mechanisms that rely heavily on profit-seeking capital.

The Chinese approach to blended finance is often seen as distinctive in its reliance on state-backed loans—sometimes concessional—delivered through policy banks that support the internationalisation of Chinese firms. Some have examined this approach through the lens of "public entrepreneurship", highlighting the mobilisation of large-scale, long-term finance through state-backed institutions as a means of counterbalancing some of the perceived rigidities and limitations of established donor frameworks (Xu and Carey, 2015). Yet this, too, can be interpreted as a strategy to de-risk or subsidise private capital and state-owned enterprises in their overseas expansion. As such, the coexistence—and at times incompatibility—of development goals with profit-seeking motives has come under increasing critical scrutiny. Over time, debates have shifted away from simple binaries of convergence and divergence, towards more nuanced questions of governance, institutional structure, and portfolio composition (Chin and Gallagher, 2019; Taggart et al., 2025). Key areas of focus include China's near-exclusive emphasis on infrastructure, its adherence to a principle of non-conditionality in lending (more specifically, the absence of policy demands), and a demand-driven approach implemented through policy banks and other state-linked channels (Humphrey and Michaelowa, 2019; Hameiri and Jones, 2025a). These features raise important questions about the alignment of Chinese finance with SDG principles, including those related to environmental sustainability, inclusivity, and local ownership. In regions where infrastructure gaps are a major bottleneck to economic growth, such alignment may appear stronger. However, concerns around debt sustainability, social safeguards, and transparency continue to pose challenges to a coherent narrative of developmental impact.

Importantly, these are not two static models. Both Chinese and traditional approaches have evolved in response to each other. Multilateral institutions, for instance, have become more flexible in countries with access to Chinese finance, often reducing governance-related conditionality and adjusting sectoral priorities. In some cases, this has meant attaching fewer policy reform requirements to loans (Hernandez, 2017), or shifting resources towards large-scale infrastructure in energy and transport to compete with Chinese offers, as in the World Bank's unprecedented guarantee for the Sankofa gas project in Ghana after an earlier Chinese-funded venture (Zeitz, 2021). In other contexts, competition has encouraged greater alignment with borrower preferences and a move towards "joint ownership" of reforms with national authorities, emulating aspects of China's more state-led and relationship-driven engagement, as observed in energy sector lending in Central Asia and the Caucasus (Skalamera and Köstem, 2023). There is also growing acceptance within Western-led institutions of certain forms of state interventionism (Alami and Taggart, 2024). At the same time, Western governments have launched infrastructure initiatives such as the G7's Build Back Better World and the EU's Global Gateway, aiming to counterbalance China's growing influence (Zeitz, 2021; Hameiri and Jones, 2023). Yet these efforts have so far struggled to deliver at scale. Rather than increasing public financing, Western donors have doubled down on blended finance and de-risking mechanisms to mobilise private investment (Jung, 2020)—even as private capital remains risk-averse and commercially driven, often misaligned with sustainable development priorities (Hameiri and Jones, 2025a). The gap between the rhetoric of transformative development and the reality of capital mobilisation continues to frustrate both donors and recipients.

In short, the landscape of development finance is complex and in flux, shaped by a dynamic interplay between Chinese and Western approaches and realigning recipient demands. This interplay is marked by mutual learning, tensions and convergence, and a simultaneous deepening of marketisation and state interventionism (Kragelund, 2015; Cheng et al., 2022; Taggart et al., 2025). To make sense of these patterns, the next two sections situate CDF within China's own shifting developmental rationales, development trajectory and governance structures. The subsequent section highlights several key dimensions—portfolio composition, financing modalities, debt, policy space, contributions to sustainable development, and geopolitical context—through which the particularities of CDF can be better understood, while also tracing the significant transformations it has undergone over the past two decades. In doing so, it asks not only what CDF is, but what it is becoming—and how it fits into the evolving global efforts to finance development in a way that is equitable, effective, and aligned with long-term sustainability goals.

3. Chinese Perspectives on Development Finance

Intense debate has emerged surrounding the objectives, functions, and operational modalities of development finance in China. Drawing on an analysis of more than 140 documents, reports, and journal articles published by Chinese government agencies, banks, academics, and media outlets, this section unpacks how core concepts in development finance take on specific meanings within the Chinese context, highlighting what makes CDF distinctive and how different actors within China understand, justify, and frame the role of overseas development finance. It contributes to a deeper understanding of official narratives, policy preferences, academic interpretations, financial-sector specialist perspectives, and public views of development finance inside China. The section proceeds by discussing definitions of development finance (Section 3.1), examining the role of the market in CDF (Section 3.2), and analysing internal debates on Chinese overseas development finance (Section 3.3)

3.1 Defining Development Finance

There is no universally agreed definition of development finance, and in the Chinese domestic context, the term is closely tied to the government's strategic priorities and institutional architecture. In the absence of a fixed definition, policy-makers, practitioners, and analysts often emphasise the *functions* of development finance in their publications. The China Development Bank (CDB), the country's largest and most comprehensive development finance institution, defines development finance (kaifaxing jinrong) as a financing mechanism "guided by the goal of serving national development strategies and backed by state credit. It operates primarily through market mechanisms and adheres to the principle of preserving capital while earning minimal profits. It relies on medium- to long- term investment and financing as the main operational modality. In turn, it plays a unique and vital role in achieving government development objectives, addressing market failures, providing public goods, improving the efficiency of resource allocation, and smoothing cyclical economic fluctuations" (CDB, n.d.).

In practice, CDB identifies six main objectives: supporting key national projects, promoting coordinated regional development, developing inclusive finance, advancing industrial upgrading, promoting green finance, and enhancing international collaboration (CDB, 2020a). Other financial institutions in China hold similar visions for the role of development finance. While they differ in sectoral focus and institutional design, they all claim to be aligned with the Chinese Communist Party's "people-centred" "new development philosophy" —a government-led vision of sustainable, balanced economic growth that addresses inequality, environmental degradation, technological innovation, and risks to energy, food, and supply chain security (Xi, 2021). Within these parameters, development finance is presented as a key instrument for supporting economic advancement and social stability across a broad spectrum of policy areas in China. Taken together, these definitions underscore a state-led, market-aware conception that frames development finance as an instrument for structural transformation.

In Chinese domestic discourse, the concept of development finance is often conflated with that of policy-based finance (zhengcexing jinrong). Development finance is often seen as a subset of policy-based finance. Whereas policy-based finance broadly refers to state-backed financial mechanisms employed to foster inclusive socioeconomic growth, development finance is more narrowly focused on domains where market mechanisms fall short, commercial returns are uncertain, existing institutions are inadequate, or new sectors are emerging, and therefore the support of state credit is required. (Luo, 2018; Chen and Liu, 2016; Zhang, 2019) Some scholars differentiate between policy-based finance and development finance by their respective degrees of alignment with market principles. Zhang et al. (2024) argue that development finance is meant to be a new form of policy-based finance that incorporates market mechanisms. It not only employs market-oriented financing modalities but also fosters the creation and refinement of markets by strengthening economic institutions and building creditworthiness. However, in practice, the two are not clearly distinguished; they are often treated together as “policy-based development finance” (zhengcexing kaifaxing jinrong) in bank documents. Also in practice, tools of development finance, especially when employed in combination with local government special bonds (a financing instrument used by subnational governments to fund infrastructure and other approved projects) and structural monetary policy, do not align well with market principles. Such combinations also suffer from problems related to policy incoherence and elevated implicit debt risks. These tensions underpin wider debates about the appropriate balance between state-led objectives and market mechanisms, a theme explored in the next sub-section.

3.2 Role of market in development finance

The term *market* is frequently mentioned by all stakeholders, whether as a specific sector or domain, a mechanism of resource allocation, or a set of specific liberal economic rules. The integration of market principles into development finance nevertheless remains a subject of extensive debate among domestic stakeholders in China. Development finance is often seen as a bridge between government and market, using state-backed credit to complement market needs or correct market failures. (Zhang et al., 2024) Scholars advocate that banks and other financial institutions should adhere to market-driven approaches when they deploy development finance. For example, policy banks should operate development projects at their own risk and raise funds in the market via equity, bonds, and fund-based lending. (Wang, 2019)

Banks frequently emphasise the importance of “following market-oriented principles” (shichanghua yuanze) in their publications. For instance, an official of the central bank said in a meeting that development finance institutions should “bear full responsibility for their own profits, losses and risks… and are purely financial in nature involving only the exercise of shareholder rights limited to the scope of financial ownership” (Chi, 2022). A deputy head of the CDB clarified that they follow market principles in choosing, evaluating and designing projects, stressing that the chosen projects should be economically/financially viable, even if they are picked from the list of projects recommended or assigned by the National Development and Reform Commission (NDRC) along with other relevant departments of the central government.

(Xinhua, 2022; Government of Beijing, 2022) In short, the concept of "following market-oriented principles" broadly entails that the operations of all banks and development finance institutions—including project preparation, initial evaluation, project appraisal, credit assessment, implementation and monitoring—should prioritise long-term *economic* viability as a fundamental principle. These institutions are therefore expected to prioritise financial profitability, while minimising political interference and bureaucratic inefficiencies that could compromise returns. This, in turn, requires bank managers to commit to transparency, fair competition, and effective risk assessment. Crucially, this also applies to projects funded by CDF abroad, including in countries along the Belt and Road Initiative (BRI) routes, as documented in numerous publications (Wang 2019; Luo 2018; Hu 2017; Zhang, 2021; Hu, 2022; Jin, 2022; Ministry of Human Resource and Social Security 2021; Wang, 2017; Chen and Dong, 2022; Ma, 2022)

Furthermore, some scholars and policy-makers argue that development finance tools should be utilised to "prepare and nurture the market" as an essential objective. (Zhao, 2022a, 2022b; Zhang et al., 2024; Xu et al., 2019; CBIMC, 2022) For instance, in an essay about development finance's role in facilitating the growth of small and micro enterprises (xiaoweiqiye), Zhang (2019) argues that development finance is designed to serve national strategic objectives by initiating market development, directing capital toward sectors that commercial banks are unwilling to enter, and ultimately transforming these areas into commercially sustainable markets. Similarly, market construction is central to climate finance, including promoting innovation in climate-related financial derivatives, building a carbon finance market, and enhancing the effectiveness of climate governance. (Zhang et al., 2023) Chen and Liu (2016) discuss development finance's role in supporting emerging strategic industries and argue that development finance institutions may choose to withdraw as these high-risk and high-reward industries gradually evolve into pillar industries of the national economy. Here, development finance is seen as a government-backed tool only used in the domain where the market falls short; once the market is stabilised, the development finance tool is expected to exit. However, unlike Chen and Liu, Zheng (2017) argues that development finance institutions should eventually remain—rather than exit—and operate as main market actors when the market-oriented institutions are established. After all, the construction and strengthening of markets constitute key objectives of development finance. In less developed markets, the government is expected to rely more heavily on development finance to guide and support market formation (Pan 2023).

Notably, analysts and bank managers often frame the market or market principles as either normative ideals or as superior mechanisms of resource allocation to which development finance institutions aspire. On the other hand, they remain aware of the government-driven nature of development finance in practice. Regardless of the specific modality used, development finance is consistently employed to channel capital into areas deemed strategically important by the state. For instance, policy-based finance and development finance, together with local government special bonds, are the primary financial sources for major local government projects. (Zhang et al., 2024) In addition, government bodies have substantial decision-making power in deploying development finance. In supporting infrastructure, the

NDRC prepares a list of potential projects together with other government bodies, state-owned enterprises and local governments, and recommends them to the policy banks—including the CDB, the China Agricultural Development Bank and the Export-Import Bank of China—for execution. (Xinhua Financial, 2023) Regarding the size of financial support, the State Council announced in 2022 that it would use development finance and policy-based tools to raise 300 billion yuan through bond issuance, to be used in supporting new infrastructure projects by covering up to 50% of the total capital requirement. (Yang 2022) Finally, national development finance institutions such as the CDB use state-backed finance to fund major infrastructure projects abroad, which consequently enhances China's business interests and strategic influence in the Global South. The following sub-section (3.3) considers how these ideas are articulated in debates about overseas development finance.

3.3 Debates on overseas development finance

We now turn to how overseas development finance is presented, discussed, and justified within China—focusing on domestic narratives, official framings, and responses to foreign critiques. It sets the stage for the following sections, which will examine the actual practices, challenges, and opportunities involved in China's development finance abroad.

"Overseas development finance" is not a rigidly established concept in Chinese discourse, and it is primarily analysed within the frameworks of the "Belt and Road Initiative" or "South-South cooperation" as "a transcendence and a step further from the Western development assistance system" (Cui and Jiao, 2021; Chen and Dong, 2022) or as a continuation of the "Going Global" initiative. China's overseas development finance is often described domestically as long-term-oriented and multisectoral. Through the lenses of mutual benefits with partner countries, it is framed as both an alternative to and an evolution of the Western aid framework (Cui and Jiao, 2021). In BRI-centred discussions, Chinese analysts often invoke the concept of "a community with a shared future for mankind" put forward by Xi Jinping, to underscore the mutual benefits and opportunities created by China's overseas development finance. (Yang and Wang 2018) Official Chinese media frequently employ emotive language to articulate the goals of the BRI. For instance, Xinhua (2023) describes its aims as not only facilitating "hard connectivity" through transport infrastructure and "soft connectivity" via regulatory and standards alignment, but also "heart connectivity" by fostering people-to-people bonds.

Discussions of overseas development finance within China often centre on similar sectors to those prioritised domestically. Infrastructure and energy remain the most frequently cited sectors, due to their central role in China's development finance activities both at home and abroad (CDB, 2019; Chen and Dong 2022; Chen et al. 2017; Liu, 2025; Wang, 2019; Ministry of Commerce, 2021). As Chinese banks and companies have accumulated considerable experience in financing and implementing large-scale infrastructure and energy projects, they have approached international ventures with growing confidence, applying domestic expertise to overseas settings. This alignment in sectoral focus is frequently cited as a natural extension of China's strengths and comparative advantages. Meanwhile, an increasing number of reports and analyses have focused on green and climate finance, exploring how instruments such as green bonds, climate bonds, green credit, and carbon emission reduction tools can be used to support clean energy and environmental infrastructure (Qiu, 2024; Deng, 2024; Lv et al., 2025; Ji, 2024;). Growing attention is also directed at investments in the digital economy across developing countries, encompassing digital infrastructure, fintech, the Internet of Things, blockchain, and other digital technologies applied to administrative governance, transportation, and agriculture (Ji, 2024; Shi, 2024; Xinhua, 2023; People's Daily, 2024).

However, while domestic and overseas agendas may appear aligned in sectoral terms, the discourse often overlooks important differences in underlying objectives. In the domestic context, development finance routinely supports poverty alleviation, manufacturing capacity upgrading, and the redevelopment of informal settlements—sectors where commercial returns may be limited but long-term national developmental goals are prioritised. By contrast, as we will see in subsequent sections, overseas development finance remains more narrowly focused, with investments channelled into areas that are expected to generate bankable returns for Chinese lenders and contractors. Even in sectors such as digital infrastructure or urban development, support tends to be extended only when it aligns with the commercial interests of Chinese firms. The "market-oriented principles" outlined in subsection 3.2, which ensure the economic viability of development projects, are therefore more readily justified and promoted in the context of overseas development finance than in the domestic setting. Thereby, the notion of "development" underpinning China's overseas finance is far more constrained than in the domestic setting—a point that will be further explored in the portfolio analysis below.

Nonetheless, in response to concerns and criticisms regarding the social and environmental impacts of Chinese-invested projects, analysts have recently called for the promotion of "small and beautiful" (xiao er mei) projects—modest in scale but high in social impact—that enhance public welfare and sustainable development in BRI partner countries. (Cheng, 2024; Nan and Huang 2023) China's Global Development Initiative, proposed by Xi Jinping in 2021, priorities the social and environmental implications of development and aligns directly to the Sustainable Development Goals (SDGs). In its public communications, the Export–Import Bank of China emphasises its commitment to improving livelihoods, advancing social welfare and protecting the environment. (China News, 2025) Official Chinese media consistently underscore the country's dedication to supporting the achievement of the UN 2030 SDGs in its overseas development cooperation. (People's Daily, 2022; Xinhua 2024; Song and Kan, 2024) Nevertheless, the allocation of resources to such socially-oriented projects remains considerably smaller compared with those directed toward more commercially profitable ventures.

Although the large majority of overseas development finance is deployed *bilaterally*—through aid or loans from Chinese banks, enterprises or agencies—Chinese banks and media also stress the importance of working with international partners through *multilateral* development finance mechanisms. This emphasis reflects a view that multilateral engagement strengthens China's legitimacy and influence within the global development finance architecture. Public communications often highlight China's collaboration with multilateral development banks such as the World Bank, the Asian Development Bank, and the European Bank for Reconstruction and Development, as well as its leadership in the Asian Infrastructure Investment Bank and the New Development Bank. China has also sought to institutionalise cooperation with regional blocs through mechanisms such as the 16+1 initiative with Central and Eastern Europe, and the Forum on China–Africa Cooperation. Under these frameworks, interbank associations such as the China-Central and Eastern Europe Interbank Association, the China-Arab Countries Interbank Association, and the China-Latin America Development Finance Cooperation Mechanism have been established to facilitate credit and financing arrangements (Yan, 2017; CDB, 2019; 2023; People's Daily, 2018). Similarly, China has set up dedicated investment funds with both Latin America and Africa, aimed at bolstering industrial capacity in partner countries. (State Council, 2023)

Chinese media and scholars often adopt a defensive tone in response to external critiques of China's overseas development finance. In countering "debt trap" accusations, Yu (2022) argues that all development loans are structured to ensure repayment of principal and interest, and that any debt restructuring has been handled through mutual agreement between lender and borrower—underplaying the typical hierarchies between these two parties. Scholars point to a range of contributing factors to sovereign debt distress—such as misguided economic policies in borrowing countries, volatility in international energy prices, and capital flows shaped by "irresponsible" United States monetary policies—arguing that the "debt trap" narrative is a Western construct designed to undermine China in the Global South (Yu, 2022; Xinhua, 2023; Askari and Li, 2024). In response to reports that Panama might terminate its BRI Memorandum of Understanding, an official of China's Ministry of Foreign Affairs accused the United States of using "coercion and threats to arbitrarily undermine China-Panama relations and to discredit and disrupt BRI cooperation", urging Panama to "make the right decision" (Ministry of Foreign Affairs, 2025).

While mainstream and non-official media in China rarely offer sustained critiques of the BRI, they do occasionally reflect on the challenges associated with overseas development endeavours. These concerns often relate to the financial risk and limited profitability of BRI projects. Domestically, large-scale infrastructure investments—such as high-speed railways and highways—may yield low financial returns and have in some cases added to local government debt. However, they are typically justified by their broader public or semi-public goods benefits. In contrast, overseas investment in developing countries—many of which also focus on infrastructure—carries similar financial risks but generate fewer tangible benefits for domestic stakeholders. This tension has become more pronounced amid China's recent economic slowdown. In response to these concerns, policy banks increasingly advocate reducing concessional lending and emphasising market-based financing to safeguard long-term economic viability (Caixin, 2017; Wang, 2017; Xu and Li, 2017; Cai, 2017).

In addition, Chinese analysts are increasingly acknowledging the limitations of Chinese companies in managing overseas development projects. Compared with Western multinational firms, many Chinese companies lack experience in implementing corporate social responsibility standards abroad. While most Chinese state-owned enterprises issue corporate social responsibility reports in line with the State-owned Assets Supervision and Administration Commission requirements, the quality and scope of disclosures are inconsistent – economic indicators are typically reported in far greater detail than social or environmental metrics, and corporate governance aspects are often omitted. Chinese media have encouraged Chinese firms to adhere not only to international norms and frameworks but also to the legal, regulatory and social contexts of host countries. Scholars have also called for improved coordination and clearer division of labour among domestic actors - including central and local governments, policy and commercial banks, and state-owned and private enterprises. One commentator from the Central Party School has proposed the creation of a vetting mechanism, led by trade unions and expert committees, to identify and assess BRI-associated enterprises and projects. Such a system, it is argued, would both incentivise Chinese companies to improve operational performance and enable partner countries to make more informed choices when selecting Chinese firms for collaboration. (Zhao, 2018; Zhang and Li, 2019; Yan, 2023)

Chinese analysts and policymakers frequently assess the challenges faced by BRI projects and propose strategies for future improvement. Common recommendations include:

- Enhancing transparency in project operation
- Ensuring greater benefits for borrowers, including better financing terms, job creation, technology transfer, and capacity building
- Prioritising formal project-based agreements over general MoUs, and tailoring them to local development paths and institutional frameworks
- Encouraging greater participation from private enterprises to mitigate perceptions of the BRI as overly state-driven
- Exploring alternative financing models, such as equity investment and public-private partnerships to reduce sovereign debt risks
- Promoting joint ventures with non-Chinese enterprises to build greater credibility and competitiveness abroad
- Leveraging "soft power"–sharing successful BRI examples and emphasising contributions to global infrastructure and growth, while actively countering negative narratives promoted by Western actors

However, despite the breadth of these recommendations, they often remain at a general level and lack detailed implementation plans (Liu, 2025; Yang and Wang, 2018). These themes provide the analytical bridge to Section 4, which examines the institutional actors, delivery channels, and co-financing modalities through which China's development finance is deployed.

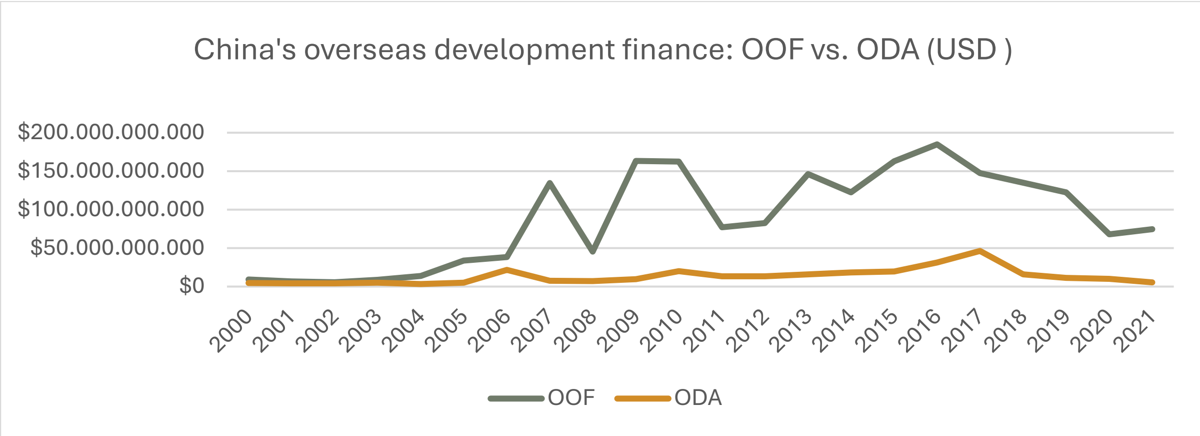
4. Institutions and Modalities in China's Overseas Development Finance

This section presents data and key insights on the institutional architecture of China's overseas development finance, examining both bilateral and multilateral channels—two areas that are often treated separately in existing research. By analysing them side-by-side, we can identify not only their distinct institutional logics and operational modalities, but also points of convergence in norms, practices, and financing arrangements. Additional attention is given to the growing trend of co-financing, whereby Chinese and non-Chinese institutions jointly fund projects or create collaborative investment vehicles, blending China's state-led approach with the practices of development banks, commercial banks, recipient countries and multilateral frameworks. Building on the narratives and debates set out in Section 3, this section turns from ideas and discourses to institutions, delivery channels and financing modalities.

Bilateral development finance refers to credit provided by Chinese banks, corporations, and designated government agencies, primarily in the form of non-concessional loans and export credits, but also concessional loans and grants. These financial flows are directed toward governments and companies primarily in the Global South, and at times to developing regions in East and Central Europe for development purposes. They are typically used to finance large-scale infrastructure and energy projects, with Chinese state-owned enterprises (SOEs) serving as the primary or co-contractors. Whilst Chinese finance is also allocated to promote social sectors such as healthcare and education, these programmes are smaller in scale.

Graph 1 shows China's overseas development finance flows from 2000-2021, divided into official development assistance (ODA)-like and other official flows (OOF)-like. ODA-like funds —comprising (highly) concessional loans and grants—are generally targeted at social welfare improvements in the poorest countries. OOF-like funds —mainly non-concessional loans and export credits— are predominantly disbursed to fund large-scale development projects that are expected to generate financial returns. In many cases, ODA-like funds are attached to OOF-like financing within a single programme or project. The table indicates that China disburses substantially more OOF-like funds, underscoring the primarily economic motivations that drive its overseas development activities. OOF-like funds are geographically diverse, with no single region consistently dominating over time, while ODA-like funds are more concentrated in Asia and Africa. Notably, in 2020—amid the COVID-19 pandemic—Asia received nearly 80% of China's total ODA disbursements.

Graph 1: China's overseas development finance: OOF vs. ODA



Source: Authors' own configuration based on AidData. 2021. AidData's Global Chinese Development Finance Dataset, Version 2.0. Retrieved from https://www.aiddata.org/data/aiddatas-global-chinese-development-finance-dataset-version-2-0

At the same time, China plays an increasingly active role in multilateral development finance, engaging with major multilateral development finance institutions (MDFIs) such as the World Bank and Asian Development Bank (ADB), as well as maintaining official collaboration with non-Asian regional and sub-regional development banks, including the African Development Bank (AfDB), European Bank for Reconstruction and Development (EBRD), West African Development Bank (BOAD) and so on. Most notably, China played a leading role in the establishment of the two most recent multilateral development banks (MDBs): the Asian Infrastructure Investment Bank (AIIB), headquartered in Beijing, and the New Development Bank (NDB), founded by the BRICS countries and headquartered in Shanghai. In engaging with MDFIs, China acts both as a borrower and as a contributor, with distinct incentives in each role.

Table 1 shows China's paid-in capital contribution to selected MDBs in 2016 and 2023 respectively, illustrating that China's financial contribution to MDBs has remained stable in the past years. It also demonstrates that bilateral channels remain far larger in financial terms than multilateral ones. Paid-in capital refers to the actual cash payments made by China to an MDB annually, distinct from the "total capital"—a substantially larger amount appearing in MDBs' documents frequently—that indicates China's committed contribution to the MDBs. The table also lists China's total capital contribution to the same MDBs. Since the total capital is often associated with a state member's voting power in MDBs, it serves as a key indicator of the country's formal member status.

In the last column, the table displays China's voting share in the MDBs, illustrating that China has much larger influence in the AIIB and NDB than in other institutions. In addition to ordinary capital contributions, China's multilateral development finance activities take a variety of forms. These include the establishment of collaborative trust funds within MDB frameworks, co-issuance of bonds with MDFIs, knowledge exchange activities facilitated by these institutions, and the provision of aid to a range of multilateral organisations such as the International Monetary Fund

(IMF)[1], MDBs[2], UN agencies, and the World Health Organization (WHO). Last but not least, despite being a large sovereign development finance provider, China remains an active borrower of selected MDBs. These activities will be explored further below.

Table 1: China's financial contribution in MDBs in USD and its voting shares.

MDB	Paid in capital in 2016	Paid in capital in 2023	Total capital in 2023	China's voting share (%)
Asian Infrastructure Investment Bank	5.956.100.000	5.956.100.000	29.780.400.000	26.5
New Development Bank	2.000.000.000	2.000.000.000	10.000.000.000	18.98
International Bank for Reconstruction and Development (of World Bank Group)	774.800.000	1.312.100.000	18.686.200.000	5.85
Asian Development Bank	459.900.000	459.000.000	9.177.000.000	5.4
African Development Bank	65.110.620	127.821.000	2.533.431.400	1.28
Trade and Development Bank	17.630.393	24.339.825	121.699.123	7.1
Caribbean Development Bank	20.647.000	20.647.000	94.023.000	5.58
European Bank for Reconstruction and Development	5.000.000	5.250.000	29.000.000	0.1
Inter-American Development Bank[3]	200.000	200.000	5.200.000	0.004

Source: Authors' own configuration based on the data published on MDB websites.

Bilateral and multilateral development finance operate through distinct mechanisms and pursue different strategic objectives. Nonetheless, they exhibit some convergence in practical norms and implementation principles. Through bilateral development financing, China aims to mitigate overcapacity in domestic industries, facilitate Chinese companies' expansion in the global market, stimulate trade with the recipient countries, and increase its influence in the Global South and northern peripheries (Wang and Sampson, 2022). At the same time, China's engagement in multilateral development finance serves additional strategic objectives. As an active borrower, China benefits from the technical assistance provided by MDBs–now often regarded as more valuable than access to capital—which also helps reinforce its "developing country" status. As a development partner, China shares the responsibilities and risks of

[1] For instance, China contributes to the Poverty reduction and Growth Trust, the Fund's main vehicle for providing concessional finance to low-income countries.
[2] China is a donor in the International Development Association (IDA) of the World Bank Group, as well as in the Asian Development Fund of the ADB.
[3] China's voting share in IDB Invest, the private sector arm of the IDB Group, is around 5 percent.

financing development programmes with other stakeholders, while also strengthening its voice in shaping the rules and norms that govern international development.

The remainder of this section is organised into four parts: (1) an overview of the roles played by key domestic institutions in the planning and implementation of China's overseas development finance activities; (2) an analysis of the challenges of bilateral overseas development finance disbursement; (3) an assessment of China's strategic priorities and policy approaches within MDBs; and (4) an examination of the emerging trend of co-financing between Chinese and international actors.

4.1 Institutional architecture and coordination challenges in bilateral development finance

Instead of viewing China's development finance as solely the product of top-down decision-making from Beijing, this study emphasises the importance of examining the roles of a broad array of domestic institutions in shaping and implementing overseas development activities. The extent to which these institutions are coordinated under the "fragmented" and "decentralised authoritarianism" of China is debatable. Some argue that sub-state actors pursue their own interests in overseas development projects rather than prioritising Beijing's foreign policy goals (Li and Zeng, 2019; Liao, 2019; Ye, 2019; Chen, 2020; Jones and Hameiri, 2021), while others highlight alignment with national objectives such as mitigating overcapacity, supporting Chinese companies' global expansion, stimulating trade, and increasing China's influence in the Global South (Chin and Gallagher, 2019; Reilly, 2021; Sampson and Wang, 2022; Suzuki, 2021).

In practice, the Chinese central government, along with ministerial-level agencies, makes substantial efforts to align domestic institutions with its strategic overseas development goals, but also grants considerable operational autonomy—particularly to SOEs and policy banks—to pursue commercial opportunities within broad strategic parameters. Although this autonomy may originate from the central government, it is sustained by the overarching goal of profitability. This flexibility coexists with overlapping and sometimes contradictory mandates, creating tensions between institutions. The result is a system that blends central strategic direction with decentralised implementation, mirroring domestic patterns since the 1990s, where decentralisation has spurred growth but also weakened oversight and elevated economic priorities over other social and environmental concerns.

Table 2: Domestic Chinese institutions of overseas development finance

Domestic institutions	**Main role of the institutions**	**Examples of Institutions**
Top political authority	Strategy making	Politburo Standing Committee of the Chinese Communist Party
		State Council
Ministerial-level institutions	• Policy making and coordination • Overseeing main lending institutions • Representing China in multilateral development finance institutions • Allocating capital and facilitating lending	Ministry of Finance (MoF)
		People's Bank of China (PBoC)
		National Development and Reform Commission (NDRC)
		Ministry of Commerce (MOFCOM)– Economic and Commercial Counsellor offices (ECCOs)
		China International Development Cooperation Agency (CIDCA)[4]
		Ministry of Foreign Affairs (MoFA)
Policy banks	Financing projects and identifying strategic regions or countries for development collaboration	China Development Bank (CDB)
		Export-Import (EXIM) Bank of China
State owned commercial banks	Financing projects	Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China, Bank of China, and so on
State owned enterprises	Implementing projects	In sectors such as energy, transportation, infrastructure and so on
	Financial service	Sinosure
Private companies	Implementing projects	Huawei

Source: Authors' own configuration.

As illustrated in table 2, at the top of the architecture are senior leaders of the party-state, including members of the Communist Party's Politburo Standing Committee, who represent China's highest political authority. They formulate China's overarching strategies for economic

[4] CIDCA is a vice-ministerial-level body under the direct administration of the State Council.

development and foreign policy. During diplomatic visits abroad, they sign trade and investment agreements and announce aid packages—actions that serve both to demonstrate China's commitment to global development and to signal forthcoming financing and project cooperation. Meanwhile, the State Council—China's highest administrative authority—supervises the planning, coordination, and execution of major international development cooperation initiatives and oversees all official development finance institutions.

The central leadership delegates authority to formulate specific development finance policies to selected ministerial-level agencies. Among these, the Ministry of Finance (MoF), the National Development and Reform Commission (NDRC), and the Ministry of Commerce (MOFCOM) play pivotal roles in shaping development finance policies and facilitating overseas development projects. The MoF manages the national budget and issues economic regulations related to China's international financial cooperation. For example, the MoF led the drafting of the *Guiding Principles on Financing the Development of the Belt and Road*, which was endorsed by 28 other countries in May 2017, with the aim of fostering sustainable and inclusive development (Xinhua Silk Road Information Service, 2020). It also sends officials to represent the country in major MDBs, including the World Bank, ADB and AIIB. Similarly, the Chinese central bank, People's Bank of China (PBoC), is responsible for representing China in selected regional and sub-regional MDBs where China usually holds a small share, including the EBRD and IDB. The PBoC has contributed significant capital to the establishment of development funds in collaboration with MDBs, using foreign exchange reserves through the State Administration of Foreign Exchange (SAFE). It also actively supports Chinese banks in issuing Renminbi-denominated loans abroad.

The NDRC, as the principal body for national economic planning, formulates long-term and medium-term strategies to guide Chinese capital flows abroad for development purposes. The MOFCOM, through the Economic and Commercial Counsellors' Offices (ECCOs) located in Chinese embassies, oversees a large majority of Chinese enterprises' foreign commercial activities, including outward foreign direct investment, trade, foreign labour service cooperation, and overseas project contracting. ECCOs are required to report to ambassadors, who operate under the authority of the Ministry of Foreign Affairs (MoFA), thus enhancing MoFA's influence in managing China's international commercial affairs.

Until 2018, MOFCOM held primary responsibility for administering China's foreign aid. In that year, MOFCOM's Department of Aid was merged with personnel from the MoFA to establish a dedicated foreign aid agency—the China International Development Cooperation Agency (CIDCA)—which now operates directly under the State Council at a vice-ministerial level. Since then, the MoFA has gained greater influence in overseas development finance. In addition, a variety of other government bodies have also provided modest amounts of foreign aid, primarily in the form of grants. These include the Ministry of Agriculture, the Ministry of Health, the Ministry of Environmental Protection, multiple Chinese embassies, several provincial and municipal governments, the Xinhua News Agency, government–affiliated charity organisations, the Confucius Institute Headquarters, among others.

These ministries and agencies serve as implementing arms of the central government's overseas economic development strategies, and strive to fulfil the "national interests" embedded in these strategies. While cooperating and coordinating to achieve national goals, they also struggle for resources, power, and influence. They often have overlapping responsibilities and experience jurisdictional frictions. For instance, whereas the CIDCA is in charge of foreign aid policies, it has no real influence on project implementation, which is overseen by the MOFCOM, whose primary goal is to assist the expansion of Chinese business abroad rather than development-related concerns. Meanwhile, the MoFA seeks to advance China's foreign policy goals through aid (Rudyak and Chen, 2021). In addition, the hierarchical administrative ranking system makes it difficult for lower-ranked institutions to oversee or challenge the actions of those with higher rankings. The dissimilar institutional cultures and priorities of these departments hinder their collaboration further; for instance, the MoF and the PBoC are more market-oriented and internationally-minded, whereas the NDRC retains a preference for centralised economic policymaking from its predecessor. Divergent perspectives exist between the MoF and PBoC regarding cooperation with international financial institutions—an issue that will be discussed in more details later.

Two policy banks, the China Development Bank (CDB) and the Export-Import (EXIM) Bank of China, have provided the majority of China's overseas development funds. The CDB is the world's largest development bank by total assets, as well as one of the most active funders of energy and infrastructure projects (Sanderson and Forsythe, 2013; Carrai, 2018). The two banks are mandated to identify strategic regions or countries for development cooperation. They negotiate cooperation frameworks with borrower governments, typically involving Chinese commercial banks and SOEs, which are invited to bid for contracts associated with specific projects under these frameworks. The Chinese policy banks often provide funds for a cluster of development projects, and seek to balance the aggregate benefits and risks of these projects. In doing so, they create a "strategic credit space" to "crowd in" Chinese commercial banks and enterprises (Zou, 2015; Chin and Gallagher, 2019). In addition to making regular loans, the Chinese EXIM Bank provides export credits and concessional loans to promote the export of Chinese mechanical and electronic goods. In short, both banks are direct agencies of the state's overseas development strategies, as they are expected to prioritise the state's policy goals over financial returns; however, the CDB is considerably more profit-driven than the EXIM Bank (Norris, 2018; Rudyak and Chen, 2021).

State-owned commercial banks, such as the "big four" —the Industrial and Commercial Bank of China, the China Construction Bank, the Agricultural Bank of China, and the Bank of China—also make loans to finance development projects. Although they do not engage directly in development policy-making, their rapidly growing financial contributions make them crucial components of China's overseas development finance architecture. According to the AidData report, the annual average of development loans made by Chinese commercial banks increased fivefold from USD2.39 billion before the BRI to USD11.06 billion after (Malik et al., 2021). They primarily make non-concessional loans, with shorter maturities and smaller volumes than those of the policy banks. (Sampson et al., 2021).

While owned by the state and subject to state regulations, the CDB and state-owned commercial banks are expected to make profits and thus they often need to prioritise their commercial interests over the state's foreign policy goals. The MoF directly holds shares of both CDB and the EXIM Bank as well as several other commercial banks. Moreover, major shares of these large policy and commercial banks are held by Central Huijin Investment, a subsidiary of China Investment Corporation (CIC), which is itself a sovereign wealth fund established under the MoF. The other main shareholder of the banks is Wutongshu Investment Platform, a subsidiary of the SAFE, which is in charge of managing China's foreign exchange reserves under the PBoC. The CIC, established in 2007, came about as the MoF's institutional response to SAFE's inefficient management of China's growing foreign exchange reserves, as well as its effort to "wrest the management of the banking sector away from the PBoC" (Norris, 2018). The CIC and SAFE remain two of the most important investment arms of the state, and their competitive relationship largely reflects the bureaucratic rivalry between the MoF and PBoC. Such bureaucratic competition can enhance the state's control, yet it can also cause excessive investment and duplication.

Finally, non-financial SOEs are the most "hands-on" implementers of China's overseas development projects. Most large-scale development projects funded by China are contracted to Chinese SOEs, which often compete with each other to win bids. Yet they often face limited competition from foreign companies under such arrangements. In the case of BRI, 81 central SOEs had carried out more than 3,400 overseas development projects by the beginning of 2020, accounting for more than 60 per cent of BRI infrastructure projects (Xu, 2020). They are broadly regarded as the state's agents in overseas development projects, as well as being protected by state guarantees. However, they do not always get funding from Chinese financial institutions for specific projects, and instead often raise funds elsewhere and invest their own financial resources in overseas projects. Chinese SOEs also provide other services to facilitate and assist these projects. For instance, Sinosure provides export credit insurance and risk guarantees for Chinese companies undertaking overseas projects. Despite being officially "state-owned" and accountable to state needs, Chinese companies primarily pursue commercial goals in practice. This has created challenges for Beijing in terms of policy coherence and risk management.

In recent years, an increasing number of private Chinese firms have participated in overseas development projects as contractors. They are smaller in scale compared to SOEs, but notable exceptions exist. For instance, Huawei is widely recognised as the most prominent private Chinese company engaged in global telecommunications infrastructure. Although officially classified as a private enterprise, Huawei has received substantial political and financial support from the Chinese government. Its rapid expansion in the telecommunications and information technology sectors has contributed to escalating political tensions between China and the United States.

However, this institutional architecture also faces persistent coordination and operational challenges. These can be grouped into three main dimensions. First, Chinese institutions have inherent structural and functional deficiencies derived from the complexity of state-led development finance. China's highly state-regulated financial system can be too rigid and inward-looking to appropriately facilitate the needs of project contractors. This is particularly obvious in the case of EXIM Bank's concessional lending. Since the bank has the mandate of an export credit agency, it requires export content in its loan services, preventing contractors from freely procuring materials and equipment from other origins that may better suit the project (Liu, 2013).

Second, Chinese banks —especially commercial ones that lacked research capacity and overseas lending experience in the early years of outward expansion—have often been inadequately prepared for the political complexity of host countries. This includes central-local divisions, fierce competition among local regions, inconsistency between elected governments, and corruption or clientelist networks (Arduino and Cainey, 2019). Furthermore, under the guidance of Chinese politicians, Chinese creditors sometimes rush to lock in deals — based on the benign diplomatic relationship with recipient countries — without thorough due diligence or adequate pre-project viability analysis (Russel and Berger, 2019).

Third, the commercial interests of Chinese SOEs are sometimes misaligned with the state's political goals. Enterprises may act in a fiscally irresponsible manner when serving political interests, relying on bailouts in return (Norris, 2018; Reilly, 2021; Skålnes, 2021). They may be reluctant to enter markets that the state encourages for foreign policy purposes (Joy-Pérez and Scissors, 2018), or willing to accept security risks in pursuit of higher profits—placing both business operations and overseas personnel in danger. Ghiselli and Morgan (2021) note that Chinese contractors in the Middle East and North Africa often fail to comply with the Chinese government's guidelines or to take responsibility for worker security, acting only after significant violent incidents occur. In such cases of misaligned interests, state agencies struggle to rein in powerful and wealthy SOEs despite their regulatory oversight (Bräutigam, 2021). For example, MOFCOM's representative offices at Chinese embassies are of equal or lower rank than the local representatives of large SOEs, limiting their ability to effectively control them. Meanwhile, the smaller and private companies feel little obligation to follow embassy guidance, as they are rarely awarded major aid or investment contracts (Reilly, 2021).

4.2 Multilateral development finance

Having outlined the domestic institutional landscape and bilateral coordination challenges, this sub-section turns to China's engagement with multilateral development finance institutions. China's engagement with MDFIs has significantly deepened over the past four decades, beginning with its re-entry into the World Bank in 1980. Over time, China has transitioned from being the largest borrower from the World Bank to becoming one of the most influential lenders and donors within the multilateral development finance system. Most notably, China took the leadership in establishing two new MDBs in 2015 and 2016, the NDB of the BRICS countries and the AIIB, and act as the largest (co-)shareholders in both of these two banks. Beijing is now planning to set up a new Shanghai Cooperation Organization (SCO) development bank to support economic development in member countries. The modes of Chinese engagement have diversified and grown increasingly sophisticated. This subsection focuses on two key areas: first, it examines the various ways in which Chinese actors—both as borrowers and lenders/donors—benefit from collaborating with MDFIs; second, it investigates the tensions and areas of conflict that have arisen between Chinese actors and the institutions themselves, as well as between Chinese and other stakeholders within the institutions.

Benefits of engaging with MDFIs

China became the World Bank's largest borrower in the 1990s. Despite its subsequent rise to become the world's second-largest economy and the largest sovereign creditor in international development finance, China has continued to borrow from the Bank. In recent years, Chinese executive directors at the World Bank have emphasised that while capital inflows from the Bank are no longer critical, the accompanying technical assistance remains vital for supporting local development in China. They have repeatedly asserted that China still has much to learn from the World Bank's expertise. Local Chinese governments and Chinese enterprises involved in MDFI-funded projects gain valuable exposure to international practices, particularly in project management, procurement, and environmental and social safeguards. For Ministry of Finance and People's Bank of China officials appointed to represent China in MDFIs, participation also provides a platform to learn from other member states' governance models and policy preferences in development finance.

Another key reason for China's continued borrowing is the strategic advantage of maintaining its classification as a developing economy. China's role as a borrower enables it to align with other developing countries and strengthen its leadership voice within the institutions. For instance, within the World Bank, China is an influential member of the group of 11 large developing countries advocating for more "efficient" and borrower-oriented lending and procurement procedures—positions that have drawn concern from some donor countries, who view such reforms as potentially undermining project quality (Dann and Riegner, 2019; Interview with representative of a European shareholder at the World Bank, 2025). Generally speaking, China's developing country status helps reinforce its image as an understanding leader of the Global South, in contrast to Western powers that are often perceived as imposing their own political norms on developing countries. This status has also historically afforded China certain exemptions and preferential conditions in international trade, investment, and climate negotiations.

From the perspective of a lender or donor, delegating development finance to MDFIs enables China to share both the responsibilities and risks associated with funding development programmes with other stakeholders. As shown in Table 1, China has made substantial capital contributions to the AIIB, in which it holds the largest share. Skålnes (2021) contrasts China's contributions to the AIIB with its bilateral lending under the BRI, arguing that bilateral arrangements are often problematic due to the involvement of multiple Chinese stakeholders—such as various ministries and SOEs—each pursuing divergent interests. This fragmentation can result in "agency slack", wherein SOEs and private firms act opportunistically. In contrast, the

AIIB, operating under "collective principles", provides a more disciplined institutional framework that helps mitigate such governance challenges.

MDFIs generally apply more rigorous risk assessment and due diligence procedures than the Chinese bilateral mechanisms, thereby offering stronger safeguards against both operational and financial risks. This is a major reason why China's two main policy banks—CDB and EXIM Bank—seek co-financing arrangements with institutions like the EBRD. Such partnerships not only reduce financial risk but also help Chinese banks gain familiarity with the European Union's regulatory frameworks governing development projects, share risks, as well as take advantage of the EBRD's technical expertise and local networks (Kynge, et al., 2018; Skålnes, 2021).

Moreover, China's deepening engagement with existing MDFIs and its role in establishing new ones serve as strategic avenues for expanding its influence over the norms and rules that shape international development finance. Chinese representatives, when equipped with strong diplomatic skills and expertise in development policy, are well positioned to cultivate constructive relationships with their counterparts within these institutions and to establish effective channels for articulating and advancing China's policy preferences. (Interview with European representative at World Bank, 2025) China has consistently advocated the importance of infrastructure investment, particularly as institutions like the World Bank and ADB began to shift their focus towards "soft" sectors. The creation of the AIIB—specifically dedicated to infrastructure finance—functioned as a form of external pressure that prompted both the World Bank and ADB to increase infrastructure lending from 2016 onwards.

Through the AIIB, China also advances what some scholars describe as the "Chinese model" of development finance. This approach emphasises an economically pragmatic orientation in project selection, with a strong emphasis on economic outcomes over shaping the political and social environment in borrower countries. Accordingly, the AIIB refrains from imposing "good governance"-related conditionalities—especially those related to democratisation and market reforms. In contrast to traditional MDBs, the AIIB does not provide much concessional financing—a tool typically used by other institutions to influence the policy directions of the poorest countries. Instead, the AIIB adopts a more commercially driven model, balancing considerations of investment viability and financial sustainability with environmental, social, and governance (ESG) criteria. (Vazquez and Chin 2019) This orientation aligns closely with China's broader development finance philosophy, which emphasises "non-interference", profitability, and a strong focus on infrastructure.

Areas of tension and conflict

Over the past four decades, China has generally been a cooperative participant in MDFIs, although occasional tensions have arisen between China and either the institutions themselves or other member states. The following is an overview of the main areas of conflict:

China consistently voiced opposition to the unbalanced governance structures of the World Bank and the IMF throughout the first fifteen years of the 2000s. Nearly every speech by Chinese representatives at the annual meetings of these institutions emphasised the need to shift voting power from developed to developing countries (Wang and Sampson, 2022). Reforms were eventually adopted—albeit after significant delay due to resistance from the United States. China has since become the third-largest shareholder in the World Bank. However, this position does not provide sufficient counterweight to the dominance of the US, which retains veto power. Similarly, in the ADB, China's decision-making influence remains significantly lower than that of Japan and the US, with little prospect of gaining additional power.

This institutional imbalance was one of the key motivations behind China's establishment of a new MDB—the AIIB—in 2016, where China holds a dominant position. China continues to seek increased formal decision-making power in existing MDBs, at times by offering to contribute more financial resources as leverage. However, resistance from major shareholders—particularly the United States (in the World Bank and IDB) and the EU (in the World Bank)—has hampered these efforts. In response, China has pursued alternative strategies for influence. Resource-constrained MDFIs have sometimes permitted China to establish trust funds within their institutional frameworks, enabling it to provide financial contributions without receiving additional voting rights. These arrangements allow China to exert informal influence within the institutions.

In general, tensions between Chinese and some Western representatives tend to be more pronounced in MDFIs where China holds substantial influence, such as the World Bank. In contrast, Chinese representatives adopt a more reserved and cooperative posture in regional and sub-regional institutions—such as the EBRD and the IDB—where China's influence is more limited. These officials are usually dispatched by the PBoC, China's central bank. In these settings, China appears to adopt more of a "learning" approach.

At the MDB board meetings, member countries typically avoid commenting on the domestic policies of others. However, the United States has regularly criticised China's bilateral lending practices and raised concerns over debt sustainability issues and procurement procedures involving Chinese firms. The most notable flashpoints arise when MDB projects involve Chinese renewable energy companies based in Xinjiang. In such cases, United States representatives often raise allegations of forced labour and human rights abuses. In institutions where China plays a more prominent role—such as the World Bank—Chinese representatives, usually officials from the Ministry of Finance, tend to respond more assertively. They have, on occasion, pushed back against such criticisms and requested revisions to project documents that contain language perceived as condemning China's human rights record. A recent project proposal was withdrawn by the EBRD due to the involvement of Huawei as one of the contractors. This incident may signal the emergence of a longer-term challenge, as an increasing number of development projects involve information technology and artificial intelligence—sectors in which Chinese firms are key actors. (Interview with European representatives at the EBRD 2019; World Bank 2025; IDB 2025)

United States representatives have also consistently pressed China to "graduate" from access to MDB loan programs, arguing that its economic status no longer justifies continued eligibility. However, both China and the MDBs have resisted this shift. From China's perspective, continued borrowing allows access to valuable technical assistance and verifies its classification as a developing country, which carries broader diplomatic and economic benefits. For the banks, China is a reliable borrower that consistently repays its loans and completes projects on schedule. Institutional inertia on both sides further contributes to the persistence of the status quo. (Interview with an ADB official, 2019)

Take the World Bank Group as an example. Its concessional lending arm, the International Development Association (IDA), provides funds to low-income economies with a Gross National Income (GNI) per capita below US Dollar 1,135 (based on 2024 data). Meanwhile, its development bank arm, the International Bank for Reconstruction and Development (IBRD), lends to upper-middle-income economies with a GNI per capita between US Dollar 4,496 and 13,935. Lower-middle-income economies, with a GNI per capita between US Dollar 1,136 and 4,495, are eligible for a "blend" of IDA and IBRD financing, depending on their creditworthiness.

China, with a GNI per capita of US Dollar 13,660 in 2024, is very close to the "graduation line". Despite this, high domestic inequality—especially in non-coastal provinces where GNI per capita remains low and some regions are still combating poverty—and the ongoing need for capacity building, justify China's continued access to World Bank lending. However, since 2018, World Bank shareholders have agreed to limit loans for upper-middle income countries getting close to the "graduation" criteria, like China, to projects that focus on global public goods and capacity-building. Additionally, World Bank officials have proposed a gradual reduction in lending to China in the coming years, rather than an immediate halt (Huang, 2020).

Being a major borrower from the IBRD, China has opposed proposals to raise interest rates on IBRD loans, as this would increase its own repayment burdens. In contrast, many Western donor countries support such measures. A related point of contention concerns the practice of transferring interest earnings from IBRD operations—from which middle-income countries are eligible to borrow—to IDA to finance concessional lending for low-income countries. China objects to this redistribution model, as it effectively reallocates resources generated from middle-income country borrowers to IDA operations, despite those borrowers having limited influence over IDA's governance and decision-making processes. The latter is largely dominated by Western countries (Wang and Sampson, 2022; interview with European representative at the World Bank)

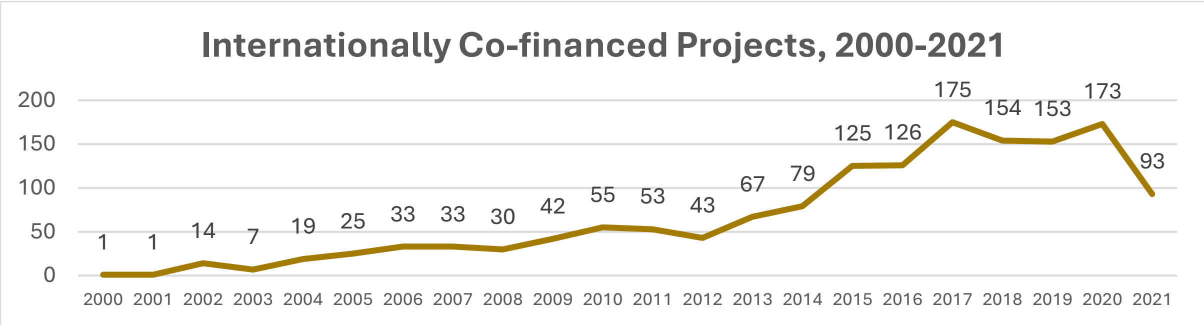
In short, the tensions between China and some Western countries within MDB frameworks reflect not only the structural divide between borrowers and donors, but also tensions over power sharing and influence between a rising power and established donors.

4.3 Co-financing

(1) Co-financing development projects

Over the past two decades, there has been a notable increase in co-financing arrangements between Chinese and non-Chinese institutions. As illustrated in Graph 2, the number of co-financed projects peaked in 2017 before levelling off and subsequently declining, mirroring the broader deceleration in China's overseas development finance. While co-financed projects constitute only a small proportion of the total number of Chinese-funded development projects, the upward trend nonetheless reflects a growing interest among Chinese institutions in collaborating with international partners.

Graph 2: Development projects co-financed by Chinese and non-Chinese institutions.



Source: Authors' own configuration based on AidData. 2021. AidData's Global Chinese Development Finance Dataset, Version 2.0.

Co-financing is implemented through a range of modalities, reflecting the diverse mechanisms and institutional arrangements employed in joint development finance initiatives. It enables Chinese financiers to share responsibilities and mitigate financial risks with their partners. A clear example is the participation of the Industrial and Commercial Bank of China—China's largest commercial bank–alongside the state-owned Export-Import Bank of Thailand, in two syndicated loans of USD 100 million and USD 72 million for the acquisition of two hydroelectric power plants in Laos in 2020. The borrower was a publicly listed Thai company, which also served as the main contractor for the projects.

In recent years, large-scale co-financed projects—particularly in the energy, transport and infrastructure sectors—have typically involved multiple financiers. These often include one or more Chinese policy or commercial banks, along with public or private banks in recipient countries. For example, in 2021 the Industrial and Commercial Bank of China and the China Construction Bank contributed to a USD 523 million syndicated loan for the Kalyon Karapinar Solar Power Plant project in Turkey, co-financed with several Turkish state-owned and private banks and corporations as well as JPMorgan Chase, a private international bank. (AidData, 2021) Chinese banks have also partnered with Western-based development financial institutions and MDBs. In 2021, Bank of China participated in a USD 750 million syndicated loan for the Sirdarya Independent Power Project in Uzbekistan, alongside a long list of financial institutions, including the AIIB, the EBRD, First Abu Dhabi Bank, the German Investment and Development Corporation, the OPEC Fund for International Development, Standard Chartered Bank PLC, Natixis, and Society Generale. (AidData, 2021) Public-private partnerships are a common feature of such co-financed projects.

Co-financing allows Chinese financial institutions to diversify risks and pool resources with international lenders, thereby improving the economic viability of large-scale infrastructure and energy projects. In the process, Chinese institutions are exposed to the lending practices of their international peers—including project evaluation, risk assessment and environmental and social safeguards—facilitating longer-term cooperation in international development finance (Custer et al. 2025). A recent ODI report highlights a growing trend in the Chinese co-financing of "green" projects, pointing to promising prospects for local-partnerships and financial diversification (Chen and Emery, 2025). Similarly, a study of 2,997 Chinese-invested infrastructure projects between 2000 and 2017 finds that co-financing is associated with higher project completion rates and improved environmental performance. (Lu et al. 2024)

In addition, Chinese institutions contribute to development efforts in collaboration with international actors by providing grants with characteristics similar to Official Development Assistance (ODA). While the monetary value of these grants is typically modest, they involve a wide range of financiers. Examples include the Chinese Scholarship Council and Argentina's Ministry of Education jointly awarding scholarships for Argentinian students to study in China; the China Civil Aviation Administration and the Lancang-Mekong Cooperation offering aviation training courses for Cambodia, Laos and Vietnam; and CIDCA, China's aid agency, partnering with the UN World Food Programme to provide emergency food supplies to the Democratic Republic of Congo in 2019 (AidData, 2021). Moreover, private Chinese actors—including enterprises, overseas Chinese civil society organisations, and philanthropic foundations—have demonstrated a growing interest in these co-financed development assistance initiatives.

(2) Co-financing funds

Chinese institutions—typically ministerial-level government bodies or policy banks—also contribute to multilateral development funds co-financed by multiple institutions. In contrast to one-off project-based co-financing, these funds provide more stable and long-term financing. Such activities can be grouped into three categories.

The first category involves contributions to existing trust funds administered by MDBs, many of which provide concessional loans and grants to the low-income countries. For example, the Ministry of Finance of China has supported a range of World Bank Group funds, including the Global Infrastructure Facility, the Consultative Group on International Agricultural Research, and the Global Fund to Fight AIDS, Tuberculosis and Malaria. It has also contributed to funds under the Asian Development Bank, such as the Technical Assistance Special Fund.

The second category involves the initiation of new development funds in partnership with international development finance institutions, with administration delegated to the latter. For example, the People's Bank of China contributed USD 2 billion to establish the China Co-financing Fund for Latin America and Caribbean, managed by the IDB, with the aim of supporting projects that required additional financing. (IDB, 2013) Similar initiatives include the Managed Co-lending Portfolio Program and the Africa Growing Together Fund, both financed by the People's Bank of China but administrated by the IFC and AfDB, respectively.

In these arrangements, MDBs serve as the primary administrators, responsible for designing projects and submitting them to Chinese financiers for review. While final approval rests with the Chinese side, MDBs operate with a high degree of autonomy in project planning and implementation. Instances of rejection by Chinese financiers appear to be rare and are generally linked to concerns over the concentration of the fund's portfolio of loans or macroeconomic risks in the recipient countries, rather than political considerations. (Humphrey and Chen, 2021) In addition, MDBs favour the access to stable Chinese financing without having to grant additional voting shares, since the co-financing funds sit outside China's ordinary capital contributions. Any major increase in those contributions would require politically sensitive voting-share adjustments that the United States and some other G7 members would likely resist.

The third category involves the initiation of new development funds in collaboration with international development finance institutions, with Chinese institutions serving as the primary administrator. One example is the China-IFAD South-South and Triangular Cooperation Facility, established in 2018 to share Chinese knowledge, experience, and technologies with other development countries in support of rural development. Although operated within the framework of the International Fund for Agricultural Development (IFAD), the Facility is funded by China's Ministry of Finance and its main operations are located in Beijing (Interview with an IFAD official, 2025).

Another example is the China-ASEAN Investment Cooperation Fund, launched in 2010 by the Export-Import Bank of China and the Chinese Investment Corporation, under the direction of the State Council, to finance investment opportunities in infrastructure, energy and natural resources in the ASEAN countries. The IFC made an initial contribution to this Fund. Similarly, the China-Central and Eastern Europe Investment Cooperation Fund was created under the "16+1 Cooperation framework", to support bilateral trade and finance projects in sectors such as energy, communication, manufacturing and infrastructure in Central and Eastern Europe. This Fund was sponsored and administered by the Export-Import Bank of China, alongside other financial institutions, including the Export-Import Bank of Hungary.

In short, by contributing to the existing multilateral development funds and establishing new ones in partnership with MDBs, China has strengthened its informal influence within these institutions. Humphrey and Chen (2021) also note that generating financial returns—especially from funds targeting private sector projects— has been a key objective for Chinese institutions engaging in co-financing funds. Table 3 lists co-financing funds under categories two and three, in which Chinese institutions play a crucial role as main financiers, main administrators, or both.

Table 3: China's co-financing funds (including funds under categories two and three, excluding funds under category one)

Name of Fund	Year	Amount	Main Responsible Chinese Institutions	International co-financer (administrator)
PRC Poverty Reduction and Regional Cooperation Fund	2005	China initially contributed USD 20 million in 2005; the total funds made available amounted to USD 90 million by 2023	Ministry of Finance	ADB (main administrator)
China-ASEAN Investment Cooperation Fund	2010	Initial capital USD 1 billion	Export-Import Bank of China (main administrator); China Investment Corporation	IFC contributed USD 100 million
IDB-China Eximbank Equity Investment Platform	2012	China initially contributed USD 150 million to the platform, aiming for raising USD 1.8 billion	Export-Import Bank of China	IDB contributed USD 153 million
China-Central and Eastern Europe Investment Cooperation Fund (Phase I and II)	2013; 2017	Initial capital USD 500 million	Export-Import Bank of China (main administrator); Silk Road Fund	Export Import Bank of Hungary
China Co-Financing Fund for Latin American and the Caribbean	2013	China initially contributed USD 2 billion	People's Bank of China	IDB (main administrator)
Managed Co-Lending Portfolio Program	2013	China initially contributed USD 3 billion; it has raised more than USD 19 billion so far	People's Bank of China	IFC (main administrator)
Africa Growing Together Fund	2014	China initially contributed USD 2 billion	People's Bank of China	AfDB (main administrator)
China-Mexico Fund	2014	Total capital USD 1.2 billion, duration 5 years	Ministry of Finance	IFC (main administrator)
China World Bank Group Partnership Facility (CWPF)	2015	China initially contributed USD 50 million	Ministry of Finance	World Bank Group (main administrator)
China-IFAD South-South and Triangular Cooperation Facility	2018	China initially contributes USD 10 million	Ministry of Finance (main administrator)	IFAD
China-EU Co-Investment Fund	2018	Initial capital USD 500 million	Silk Road Fund	European Investment Fund

Source: Authors' own configuration based on documents and news release of the listed institutions.

5. Key Issues

The preceding sections examined how CDF is viewed both internationally and within China (Section 3) and mapped the institutional architecture and modalities through which it is delivered (Section 4). Together, these perspectives highlight CDF as a complex, multi-actor system—rooted in China's domestic political economy, yet operating across diverse global contexts. They also show how its institutional design shapes the kinds of projects financed, the contractual forms used, and the degree of coordination between state and commercial actors. This section moves from structure to practice: it examines the key operational and strategic issues that emerge once CDF is put to work on the ground. In doing so, it draws on both the academic literature and original research for this report, focusing on questions that illuminate how China's distinctive approach to development finance functions in reality, how it has evolved over time, and where it faces persistent tensions or trade-offs.

We organise these into six interrelated themes. Section 5.1 looks at the composition of CDF's project portfolio, contrasting its domestic breadth with its overseas concentration in commercially bankable infrastructure. Section 5.2 unpacks the contractual forms that underpin CDF and the safeguards—or constraints—they create for borrowers. Section 5.3 analyses the scope of borrower policy space under CDF, identifying the institutional and political conditions that expand or limit agency. Section 5.4 examines the debt dimension, separating evidence from myth in debates about sustainability and "debt traps". Section 5.5 assesses the sustainability implications of CDF, from environmental and social impacts to emerging governance reforms. Section 5.6 situates CDF within contemporary geopolitics and examines how strategic competition and security concerns shape allocation decisions, instruments, and partnerships. By tracing these issues, the section aims to bridge the gap between high-level institutional design and ground-level developmental outcomes—offering a more integrated understanding of CDF's opportunities, limitations, and likely trajectories.

5.1 Project portfolio

The scope of CDF spans diverse areas, ranging from grassroots rural poverty reduction projects in China to major infrastructure loans in other developing countries. While common institutional actors—including government bodies such as the National Development and Reform Commission (NDRC) and Ministry of Finance (MoF), policy banks, large commercial banks, and state-owned enterprises (SOEs)—are involved in both domestic and overseas projects, policy documents, media reports, and academic studies rarely integrate domestic and overseas development finance within a unified analytical framework. Yet, the contrast between them is instructive: domestic development finance is characterised by a broad range of socioeconomic investment areas, whereas overseas development finance is more narrowly focused on large-scale, commercially bankable infrastructure. This divergence is not simply the outcome of weak coordination, but a structural feature of the system—reflecting the coexistence of actors with different mandates, incentives, and conceptions of what "development" entails: expansive and multi-sectoral within China, but more commercially oriented abroad.

Development finance within China covers a wide spectrum of sectors: poverty alleviation, social welfare (including healthcare, education, housing, employment, and social security), climate action, strategic industry support, and infrastructure construction. These domains often overlap. For instance, redevelopment projects for informal settlements aim to improve urban infrastructure while also addressing social welfare. Likewise, financial support for emerging strategic industries—such as the electric vehicle sector—includes building charging stations, which are counted as part of the broader infrastructure agenda.

There is also significant regional variation in the use of development finance, with each province or region pursuing its own developmental agendas alongside national goals. For example, the province of Hainan prioritises aerospace, marine industries, and agriculture, reflecting its assets such as the Wenchang Space Launch Site, maritime resources, and favourable tropical crop conditions. Beijing's municipal government directs finance towards the "Capital Industrial Chain", which encompasses integrated circuits, new energy vehicles, hydrogen energy, smart manufacturing, biopharmaceutics, next-generation IT, and green energy—sectors that benefit from the city's concentration of leading research institutions. Gansu, a landlocked province rich in natural resources, invests in highways, large-scale new energy bases, and hydropower projects (CDB Hainan Branch, 2023; Government of Beijing, 2022; Gansu Economics Daily, 2024).

Furthermore, the central government deploys "national key regional development strategies" (guojia zhongda quyu fazhan zhanlue)—backed by substantial policy and financial support—to promote the development of selected regions. The specific "key regions" targeted by such strategies vary over time, reflecting shifting spatial priorities in China's regional development needs. For instance, the "Western Development Strategy", launched in 1999, aimed to reduce the development gap between coastal and interior provinces. Similarly, the "Northeast Revitalisation" strategy was adopted in 2003 to rejuvenate the northeastern region, which once functioned as the centre of China's heavy industry, but has experienced economic decline since the 1980s, when capital shifted towards the manufacturing hubs along the southeastern coast. China Development Bank (CDB) alone had issued nearly 400 billion yuan in loans for projects in the northeast region by 2023 (Tian and Li, 2024).

In recent years, regional development efforts have included promoting economic integration in the Guangdong–Hong Kong–Macao Greater Bay Area, and advancing intensive infrastructure construction in the Xiong'an New Area, which is intended to host relocated SOEs, universities, research institutes, and high-tech industries currently based in Beijing. Each of these strategies prioritises different sectors, but all are anchored in large-scale infrastructure development and social welfare provision underpinned by substantial development finance.

Domestic development finance has also been deployed to support environmental sustainability, particularly through programmes along the Yangtze River and Yellow River basins, as well as through cross-regional initiatives aimed at strengthening east–west connectivity (Zhang, 2022). Current focus areas additionally include inclusive elderly care services (puhui yanglao); the development of the digital economy—covering fields such as chip manufacturing, the application of digital technologies in manufacturing and agriculture, and digital finance; "new infrastructure" construction—comprising 5G networks, artificial intelligence, big data centres, new energy vehicle charging facilities, and high-speed rail; support for small and micro enterprises; rural revitalisation; and climate action (Huang and Liao, 2024; Wu, 2021; CDB, 2020b; 2021; 2022; 2023). Among these, the digital economy and "new infrastructure" have absorbed the largest volumes of development finance.

In 2018, CDB and NDRC signed an agreement to provide 100 billion yuan in financing over five years to support the development of big data, the Internet of Things, cloud computing, new smart cities, and the Digital Silk Road, with the objective of building a robust digital economy ecosystem (NDRC, 2020). In 2020, CDB launched a 250-billion-yuan special loan programme to promote digitalisation in small and medium-sized manufacturing enterprises. NDRC guidance—following the 11th meeting of the Central Financial and Economic Affairs Commission—identifies five priority infrastructure categories: network connectivity, industrial upgrading, urban infrastructure, high-standard agricultural and rural development, and national security infrastructure (Xinhua Financial, 2023). By 2022, the Chinese government had already allocated 300 billion yuan for infrastructure projects and announced a further 300 billion (Xinhua, 2022).

Overseas, the contrast with China's domestic development finance is stark. While at home finance supports a wide array of social, industrial, environmental, and infrastructure goals, CDF abroad has overwhelmingly prioritised large-scale, commercially bankable physical infrastructure—particularly in transport, energy, and industrial facilities. Between 2000 and 2021, these sectors accounted for the majority of the USD 843 billion committed by Chinese institutions across 165 countries (Malik et al., 2021).

In many respects, this overseas focus on large-scale infrastructure has been a welcome intervention. It has addressed longstanding deficits left by decades of underinvestment in core infrastructure, particularly in low- and middle-income countries where multilateral lenders have, in recent decades, emphasised social sector "software" over physical "hardware". According to the World Bank, the global infrastructure gap remains significant: approximately 940 million people lack access to electricity, 2.4 billion lack adequate sanitation, 2.2 billion do not have access to safe drinking water, and nearly 4 billion remain digitally unconnected (World Bank, 2025). Against this backdrop, China has often positioned itself as a financier of first resort—delivering roads, bridges, power stations, and railways that underpin economic activity across entire regions (Engel and Moses, 2023). In Southeast Asia, the Jakarta–Bandung high-speed railway in Indonesia, inaugurated in 2023, exemplifies China's commitment to regional connectivity (Boston University Global Development Policy Center, 2023). In Africa, Nigeria's Zungeru hydropower plant, completed in 2023 with 75 per cent financing from the Export-Import (EXIM) Bank of China, has helped address critical energy shortages (Brautigam and Huang, 2023). In Eastern Europe, China's involvement in Montenegro's Bar–Boljare highway project demonstrates its capacity to deliver major infrastructure despite international concern over debt sustainability (Financial Times, 2022).

Yet this infrastructure-centric model is shaped not only by developmental gaps abroad but also by China's own domestic political economy. Scholars note that with surplus capital and an overstretched construction sector, global infrastructure investment has provided a means to externalise internal imbalances and create new outlets for domestic overcapacity (Carmody and Wainwright, 2022; Gonzalez-Vicente, 2019). The result is a portfolio influenced as much by China's geoeconomic imperatives as by the priorities of borrowing countries. AidData's dataset shows that Chinese loans rarely support education, health, or rural development—except when such investments are embedded within broader infrastructure projects (Malik et al., 2021). Despite China's global leadership in solar and wind manufacturing, less than 5 per cent of its overseas energy finance before 2021 went to renewables, with policy banks citing concerns over risk, scale, and bankability (Kong and Gallagher, 2021). Furthermore, over 70 per cent of post-2013 Belt and Road Initiative (BRI) loans have been channelled through SOEs, joint ventures, and special purpose vehicles tied to Chinese firms—locking in demand for Chinese labour, materials, and services (Malik et al., 2021). While presented as "win–win", these arrangements can limit local developmental agency and steer investments towards sectors aligned with Chinese commercial interests rather than local priorities.

The structure of Chinese overseas lending has also evolved significantly. The period from 2009 - 2014 marked the peak of sovereign lending, particularly in Latin America, where China issued multi-billion-dollar oil-backed loans to Venezuela, Ecuador, and Brazil (Myers and Gallagher, 2020). Since 2015—and especially after the collapse in global commodity prices—policy banks have scaled back exposure, reduced sovereign loans, avoided high-risk borrowers, and channelled more finance through firms and project-based consortiums rather than directly through governments (Myers and Ray, 2022). In Africa, one response to rising debt vulnerabilities has been the promotion of public–private partnerships (PPPs), repackaging infrastructure into long-term, performance-based contracts led by Chinese SOEs (van Wieringen and Zajontz, 2023). Scholars see this as indicative of a "post-peak" phase in China's overseas engagements—particularly in Africa—characterised by a shift from growth-maximising to risk-minimising strategies and a renewed emphasis on domestic economic resilience (Carmody, 2023). Nonetheless, there is variation, and some Chinese firms have moved beyond their traditional engineering, procurement, and construction (EPC) role to take on responsibilities as project developers and equity partners. A notable example is the China Energy Engineering Corporation's (CEEC) involvement, through the Cerim Lüderitz Energy joint venture, in Namibia's first independent power producer (IPP) project—a 50 MW wind farm near Lüderitz—where the company is responsible for building, financing, operating, and maintaining the facility under a 25-year agreement with the national utility (Africa Energy Portal, 2023).

This portfolio composition—driven by domestic imperatives rather than by a comprehensive analysis of developmental gaps—has contributed to what some describe as a narrowing of the developmental imagination. While ports, highways, and hydropower dams can provide critical platforms for economic activity, development finance that is overwhelmingly structured around commercially bankable infrastructure, and shaped by the operational needs of Chinese SOEs and policy banks, sidelines more complex, participatory, and less immediately profitable areas of investment, such as human development sectors, institutional strengthening, and environmental innovation (Gonzalez-Vicente, 2024). The focus on large, measurable outputs aligns with elite interests and state-led narratives of progress but often comes at the expense of socially embedded approaches that address deeper structural constraints.

Geographically, CDF's reach is global—spanning Africa, Asia, Latin America, and beyond—but allocations are often concentrated in a relatively small number of middle-income countries with strategic significance or resource endowments. In Latin America, for example, over 80 per cent of Chinese finance has gone to Venezuela, Brazil, Argentina, and Ecuador (UNDP, 2021)—particularly during periods when these governments faced strained relations with multilateral financial institutions. Other considerations, such as a country's willingness to undertake large-scale infrastructure or its position on issues such as Taiwan in UN voting, may also influence allocation decisions.

The comparison between China's domestic and overseas development finance reveals a clear structural divergence in both purpose and scope. Domestically, development finance operates as a multi-sectoral policy instrument, integrating infrastructure with social welfare, industrial upgrading, environmental sustainability, and regional balancing. Overseas, by contrast, it has functioned predominantly as a vehicle for delivering large-scale, commercially viable infrastructure, shaped by the mandates and commercial incentives of policy banks and contractors. This model has filled critical infrastructure gaps, but its narrow sectoral focus means that areas central to China's own development model—such as poverty alleviation, manufacturing modernisation, and broad-based human development—are largely absent abroad. Without concerted efforts to broaden its portfolio and democratise the development process, CDF risks becoming less a tool for structural change than a mechanism for reproducing the global economic order—with new contractors, but familiar hierarchies.

5.2 Contracts

While the sectoral focus and lending volumes of CDF have been relatively well documented, only recently have researchers begun to unpack the detailed mechanics of contract structures and negotiation processes. A growing body of evidence is shedding light on how CDF contracts are drafted, how they differ from those of other development finance providers, how they have evolved to secure commercial viability, and how they reflect—and reinforce—underlying power asymmetries between lenders and borrowers.

Chinese overseas development finance remains overwhelmingly debt-based, with an estimated loan-to-grant ratio of 31:1—indicative of its fundamentally commercial orientation (Malik et al., 2021). Most lending is channelled through two policy banks: the China EXIM Bank and CDB, both of which issue loans under highly standardised contractual templates. These agreements embed a range of commercial legal and financial safeguards, including governing law clauses, arbitration provisions, and cross-default mechanisms. Contracts of the EXIM Bank are typically governed by Chinese law, whereas CDB loans often fall under English or New York law (Gelpern et al., 2021). Arbitration is frequently stipulated in Chinese forums or under international commercial rules, and many contracts include broad waivers of sovereign immunity. Provisions such as “No Paris Club” clauses further restrict restructuring options by preventing coordinated negotiations with other creditors (Gelpern et al., 2021; Myers and Ray, 2022). Notably, these rigid legal protections are sometimes paired with flexible framework agreements that enable political signalling and adaptive implementation, particularly in sensitive or strategic sectors (Wang, 2021).

In the early phases of CDF, particularly during the 2000s and early 2010s, enforcement mechanisms often relied on commodity-backed structures. One prominent example was the use of oil-backed loans, especially in countries such as Angola, Venezuela, and Brazil. Known sometimes as the “Angola model”, this approach tied loan repayment to future resource exports and became emblematic of China’s strategy to secure energy supplies while financing infrastructure abroad. Repayment flows reportedly peaked at around 1.6 million barrels of oil per day by 2015 (Meidan, 2016). However, the popularity of these arrangements has since declined due to falling commodity prices, revenue volatility, debt distress, and reputational risks (Alves, 2013; Lui and Chen, 2021; Kern and Reinsberg, 2022).

In contrast, other risk mitigation tools such as turnkey contracts and offshore escrow accounts have remained common. Under turnkey models, Chinese firms are responsible for designing and delivering the infrastructure but are not involved in long-term operation or maintenance. These contracts allow for a clean exit and limit the long-term exposure of Chinese companies. Repayment is often secured through escrow accounts held offshore or by the lender, offering financial control while maintaining the borrower’s formal ownership of the project (Gelpern et al., 2021). While some analysts have described these as “liquid collateral”, detailed analyses such as Brautigam et al. (2022) show they function primarily as payment routes designed to build reserves in advance and prevent default—rather than as assets that can be seized.

Many of these commercial-style safeguards mirror private-sector lending standards, and while legally rigid, they occasionally leave space for political flexibility and informal adjustments—especially under framework agreements (Wang, 2021). Other features—such as cross-default clauses and “No Paris Club” provisions—have reinforced creditor leverage in cases of repayment distress. For instance, cross-default clauses—present in all China EXIM bank contracts analysed by Gardner et al. (2021)—can accelerate repayment if the borrower defaults on another obligation. “No Paris Club” clauses prevent borrowers from engaging in coordinated restructuring efforts, effectively preserving China’s bilateral advantage (Gelpern et al., 2021; Myers and Ray, 2022). In restructuring scenarios, China’s approach has varied depending on exposure. Low-risk borrowers such as Seychelles received generous terms, while high-stakes cases like Congo-Brazzaville saw extended or even increased repayment obligations (Gardner et al., 2021).

Opacity has long been a defining characteristic of CDF, particularly in comparison to traditional multilateral lenders. While limited public transparency has historically been the norm, contractual confidentiality clauses have become increasingly widespread in recent years, mirroring practices of Western private finance. Many loan agreements now include restrictions that prevent borrowers from disclosing not only the terms of the contract but, in some cases, even the fact that an agreement exists (Gelpern et al., 2021, p. 6). In some documented cases, local officials and stakeholders within recipient governments lacked access to the contracts governing major infrastructure projects, undermining coordination and accountability across public agencies (Muchapondwa et al., 2016). These internal information asymmetries further complicate the management and oversight of Chinese-funded projects, particularly where multiple ministries or subnational actors are involved.

In recent years, growing repayment risks and international scrutiny have prompted a strategic recalibration. Since the launch of the BRI, roughly 70 per cent of Chinese lending has been channelled through off-balance-sheet mechanisms, including special purpose vehicles, SOEs, and joint ventures—often backed by sovereign guarantees or implicit state liabilities (Malik et al., 2021). Rather than repeating the full rationale here, we refer the reader to the portfolio section for discussion of why this shift has occurred. This marks a shift toward project-based finance and has coincided with the growing use of public–private partnership models. These are often structured as design–build–finance–operate (DBFO) contracts in which Chinese SOEs act as concessionaires, absorbing risk over longer timeframes (van Wieringen and Zajontz, 2023). This evolution is consistent with what Zhang (2020) has described as a transition from contractors to developers, wherein Chinese firms increasingly co-finance and operate the infrastructure they build. It also reflects a partial convergence with multilateral development bank (MDB) practices, including greater openness to co-financing, multilateral frameworks, and international procurement and environmental standards (Skalamera Groce and Köstem, 2023).

To formalise its approach to risk management, China's Ministry of Finance introduced a Debt Sustainability Framework (DSF) in 2019, drawing from the methodology used by the World Bank and International Monetary Fund (IMF) (UNDP, 2021). Comparative research shows that Chinese loans have an average interest rate of 4.1%, a grace period of 4.6 years, and a grant element of just 17.7%—well below the World Bank average of 35.7% (Morris, Parks and Gardner, 2020). These figures underscore the commercial logic that continues to underpin the bulk of CDF.

More broadly, the sharp contraction in Chinese overseas lending—from an estimated $75 billion in 2016 to just $4 billion in 2019 (Carmody and Wainwright, 2022)—signals a shift not only in financial strategy but also in political calculus. As debt burdens rise and flagship projects underperform, China appears to be reassessing its appetite for high-risk sovereign lending. Today, while its policy banks and SOEs remain commercially driven, they operate within a more cautious, fragmented, and politically attuned development finance ecosystem—one shaped as much by domestic pressures as by international critique.

Vignette 1: A port in Sri Lanka

Few episodes in China's overseas lending have been as widely discussed as the fate of Sri Lanka's Hambantota Port. The 2017 decision to lease operations of the port to China Merchants Port Holdings (CMPort) was portrayed by critics as the archetypal case of "debt-trap diplomacy" in which a struggling borrower surrendered a strategic asset to Beijing. The image was powerful, travelled quickly through policy debates and media coverage, and endures in the popular imagination. Yet a substantial body of research shows this reading to be misleading—particularly the work of Deborah Brautigam and of Lee Jones and Shahar Hameiri (Brautigam 2020; Jones and Hameiri 2020). This work finds Hambantota was not a debt-for-equity swap engineered by Chinese policy banks, nor a template for subsequent Chinese seizure of assets.

By the mid-2010s, Sri Lanka faced mounting debt pressures, but these were not primarily the result of Chinese lending. In 2016, Chinese loans accounted for less than 9 per cent of Sri Lankan government debt, while the stock was dominated by international sovereign bonds with higher interest and shorter maturities (Jones and Hameiri 2020: 16). The Hambantota project itself was financed via China Eximbank on terms that, while not concessional, were relatively moderate compared to the commercial bond market (Weerakoon and Jayasuriya, 2019). Debt service linked to the port was therefore a small share of Sri Lanka's overall foreign-currency obligations, and the country's repayment difficulties were driven mainly by the bunching of Eurobond maturities and wider balance-of-payments pressures rather than Hambantota (Brautigam 2020).

Crucially, the 2017 lease was not the result of Chinese banks seizing collateral, but a decision by the Sri Lankan government to raise foreign-exchange reserves at a crunch point (Jones and Hameiri 2020). After approaching multiple partners, Colombo agreed to lease majority operating rights to CMPort in exchange for about USD1 billion in equity (CMPort, 2017). The proceeds were channelled into Sri Lanka's general reserves to meet near-term obligations—mainly to non-Chinese creditors—rather than to retire Hambantota-related debt. Importantly, legal ownership of the port remained with Sri Lanka, and the original Eximbank loans continued to be serviced on existing terms (Jones and Hameiri 2020: 19).

From a repayment security perspective, the lesson is not that China devised a novel pathway to seize strategic infrastructure, but quite the opposite: ports are illiquid, and hard to turn into cash in a crisis (Brautigam 2020). Moreover, the Hambatota port has limited military utility and has not been used as a naval base. It was under-utilised at the time of the lease and required substantial additional investment in industrial zones and logistics to become viable. For CMPort, the deal was a long-term commercial gamble to attract cargo and investment rather than a straightforward capture of value (Jones and Hameiri 2020: 18). For Chinese lenders, the episode underscored that hard-asset collateral is a poor hedge against sovereign repayment risk.

In the years since, we have not seen a turn to asset seizure by Chinese creditors. Instead, contracts have been tightened around cash-flow controls—escrow and reserve accounts—alongside stricter confidentiality, cross-default clauses and "No Paris Club" terms that aim to preserve priority in distress (Gelpern et al. 2021). The case of Kenya's Standard Gauge Railway (SGR) is instructive: rumours of a "Mombasa Port collateral" were unfounded; contractual analysis shows repayment was structured through escrowed revenues and take-or-pay agreements—standard project finance mechanisms (Brautigam et al. 2022). Such arrangements lock in repayment streams but stop short of asset transfer, reflecting a broader shift toward front-loaded repayment safeguards that can place Chinese lenders near the front of the queue (Gelpern et al. 2021).

However, the persistence of the Hambantota "debt-trap" story is itself significant—a story that sticks because it is simple and seductive. The narrative has been instrumentalised in geopolitical competition, offering a simple metaphor for Chinese encroachment despite weak empirical foundations (Carmody et al. 2022). In Sri Lanka, agency lay primarily with domestic actors: political leaders who championed high-profile infrastructure, fiscal authorities reliant on international bonds, and a government that opted for a lease to shore up reserves (Jones and Hameiri 2020). Chinese actors were central financiers and later commercial investors, but they did not dictate the crisis or its resolution.

For this report, two lessons stand out. First, Hambantota does not illustrate a Chinese model of creditor asset capture: it was a one-off commercial lease, not a policy-bank playbook, and it shows the limited use of underperforming infrastructure as collateral. Second, the real pattern since Hambantota has been the wider use of cash-flow controls in contracts, which secure repayment but narrow debtor policy space, making coordination with other creditors harder and raising transparency concerns.

5.3 Policy space

The extent of borrower agency in shaping contracts and the overall architecture of CDF remains a key subject of debate. While the rigidity of contractual arrangements is a crucial factor, other dimensions—such as who initiates project proposals, the balance of power during negotiation processes, and the structural bias of CDF towards infrastructure—are equally significant. As noted in the portfolio section, this sectoral bias may limit the range of development strategies available to recipient countries.

Much of the discussion revolves around the politics of contracting. As discussed above, researchers such as Gelpern et al. (2021) emphasise that Chinese lenders often exert substantial control over contract terms, especially when repayment mechanisms like escrow accounts are involved. These accounts, to which lenders may retain direct access or oversight, restrict the borrower's autonomy over disbursed funds. Control is further reinforced in arrangements like EPC+F (Engineering, Procurement, Construction + Finance), where financing and project execution are bundled. Once accepted, such deals may leave limited space for borrowers to influence project design or financial terms (Chen, 2021).

However, others stress the demand-driven nature of Chinese lending. Governments across the Global South have frequently pursued Chinese finance to fund infrastructure projects that traditional donors have neglected (Hameiri and Jones, 2023). In some cases, this has enhanced negotiating power: Humphrey and Michaelowa (2019) find that each 1 percentage point increase in Chinese aid correlates with a 15% reduction in policy conditionality from World Bank loans in African countries. The emergence of China as a major financier has therefore introduced competition into the development finance landscape, giving borrowers more room to manoeuvre (Hernandez, 2017). In several African contexts, interviewees stressed that this attractiveness is reinforced by China's willingness to work with prevailing local realities without imposing political conditions, which is perceived as a more accommodating partnership than that offered by some traditional donors.

Some analysts characterise CDF as a form of "patient capital" (Kaplan, 2016; Sial et al., 2023), offering longer repayment horizons and fewer immediate market pressures. This can provide greater fiscal flexibility and allow countries to depart from austerity-driven governance models. Crucially, this flexibility is not limited to individual projects, but may also reduce the broader influence of economic reform packages commonly tied to Western funding. Yet this narrative should not be romanticised. As Mawdsley (2019) and Hameiri and Jones (2020) warn, project demand may not always emerge from democratic or inclusive processes; rather, it may reflect elite preferences and opaque internal politics.

Moreover, borrower initiative is not always the starting point. Chinese international construction and engineering companies (ICECs) often act as de facto project initiators, lobbying host governments and liaising with Chinese policy banks to promote turnkey infrastructure proposals (Zhang, 2020). When governments lack the technical capacity to independently develop large-scale projects, this dynamic can undermine their agency from the outset.

Policy space, therefore, is not a fixed attribute expanded or restricted by China's presence—it is relational. As Taggart et al. (2025) argue, it is shaped by domestic political economy, institutional capacity, and the nature of competing offers. This helps explain the variation in outcomes. AidData finds that while 35% of BRI infrastructure projects face serious implementation challenges—such as corruption, labour violations, or environmental harm—projects tend to fare better when host-country institutions are involved in delivery (Malik et al., 2021). In countries with strong inter-ministerial coordination, such as Ethiopia, Chinese loans have facilitated industrial experimentation. In weaker governance settings, by contrast, they have intensified debt vulnerabilities and reinforced executive dominance, while often remaining too external to recipient states to effectively enhance state capacity (Taggart et al., 2025).

Examples abound of borrower agency being asserted. In Malaysia, the incoming government in 2018 suspended the East Coast Rail Link project and successfully renegotiated its cost down by one-third (Al-Jazeera, 2019). In Sierra Leone, a $400 million Chinese-financed airport project was cancelled outright following a change in government, with officials citing its excessive cost and limited utility (BBC, 2018). In Kenya, the government mitigated debt risks in the Standard Gauge Railway project by avoiding asset collateralisation, relying on project-based levies, and spreading responsibilities across state-owned agencies (Brautigam et al., 2022).

Conversely, countries with weaker governance have found themselves more constrained. Angola's use of oil-backed loans secured immediate capital but left the country vulnerable when oil prices dropped and Chinese imports fell. As a result, the Angolan government cut spending on social services by 55% between 2015 and 2021 (Miriri and Gomes, 2025). This starkly illustrates how fiscal space can be eroded by external shocks, especially when borrowing terms are inflexible or overly reliant on volatile resources.

While Chinese contracts are often portrayed as rigid, emerging research complicates this perception. The Rhodium Group's analysis of 40 debt renegotiation cases reveals that term extensions, refinancing, and even partial debt forgiveness are more common than generally assumed—particularly when borrowers have access to alternative funding or undergo political transitions (Kratz and Mingey, 2019). Borrower leverage also varies across Chinese institutions. Loans from the Chinese EXIM Bank are generally more concessional—featuring lower interest rates and longer maturities—than those from the CDB, which operates on commercial terms (Morris et al., 2020). This variation in lending practices adds a further layer of complexity to borrowers' room for manoeuvre.

Further evidence shows that institutional arrangements at the project level can limit flexibility. In the Western Balkans, for example, Exim Bank-financed EPC+F projects have involved tightly integrated negotiations between Chinese SOEs, policy banks, and ministries, leaving recipient governments with little influence over key contractual terms (Liu and Dixon, 2022). However, greater variability is observed during the subcontracting and implementation phases, which are often shaped by domestic institutional dynamics and informal networks (ibid.). This reinforces the point that borrower agency is not frozen at the point of contract signing but evolves throughout the project lifecycle, depending on domestic governance coherence and institutional strength. As noted in the contracts and debt sections, it is also shaped by the fragmented nature of China's lending institutions, often resulting in inconsistent implementation and delays, adding further uncertainty to how policy space is exercised in practice (Brautigam and Huang, 2023).

The picture is further complicated by the limited oversight built into some Chinese finance instruments. In Latin America, for instance, credit lines from CDB have occasionally been approved without project-level definition or enforceable safeguards (Garzón et al., 2021). Compared to Western lenders, Chinese contracts are less likely to include binding social, environmental, or anti-corruption clauses. This lack of formal accountability mechanisms can place the burden of risk management on the borrower—without necessarily enhancing its control or flexibility. As Bandiera and Tsiropoulos (2019) caution, large-scale borrowing on non-concessional terms can amplify fiscal risks, particularly when contract transparency is lacking.

Taken together, these findings complicate simplistic narratives of either Chinese dominance or borrower empowerment. Outcomes are shaped by a constellation of factors: institutional capacity, political coherence, domestic oversight, and the broader configuration of global finance. For policymakers, the key lesson is that CDF *can* expand policy space—but realising its developmental potential depends critically on the recipient countries' ability to negotiate strategically and govern effectively throughout the entire project cycle.

Vignette 2: Debt sustainability, development and geopolitics in Jamaica

For four decades, Jamaica wrestled with one of the heaviest public debt burdens in the world, subject to successive IMF programmes since the late 1970s and enduring the fiscal squeeze that followed. By the late 2000s, interest costs were consuming a very large share of tax revenues, crowding out spending on education, health and poverty reduction. The macroeconomic framework shaped by IMF conditionality prioritised stabilisation and openness but did little to shift the island from high debt and vulnerability to external shocks.

Against this backdrop, CDF arrived with a promise of speed, scale and policy space for long-deferred infrastructure. Chinese credit was accessible, long-term and concessional—typically with maturities of around 20 years and interest rates around 2 and 3 per cent, occasionally just over 1 per cent. From the mid-2000s to the late 2010s, Jamaica received around USD2.1 billion in loans, channelled mainly into roadworks and other infrastructure (Lynton and Gonzalez-Vicente, 2022).

The North–South Highway was the emblematic project of the initial phase of engagement. This project—completed in 2016—was structured to deliver a strategic corridor while avoiding a recorded increase in Jamaica's sovereign debt stock. The arrangement combined a USD457 million loan from the CDB with equity from the China Harbour Engineering Company (CHEC), both to be repaid "in kind" via the transfer of about 1,200 acres of prime land, and a 50-year toll-road concession for CHEC (Gonzalez-Vicente, 2020). It was, in effect, an experiment in using concessions and land-for-finance swaps to deliver infrastructure while preserving nominal debt targets.

This innovation came with frictions. Land transfers and long concessions generated domestic debate about transparency and public benefit; tax-waiver packages for foreign contractors were criticised by local firms as tilting the playing field; and the heavy use of Chinese technical staff limited knowledge transfer and local capacity building. Because funds were paid directly to Chinese contractors rather than flowing through Jamaica's banking system, there was little direct effect on domestic credit or liquidity. Over time, some uses of the leased lands also became contentious—for example, the construction of a hotel and apartments in Mammee Bay has been met with protests from residents and environmental groups concerned about environmental disruption and restricted access to beaches and the sea for local communities (Jamaica Gleaner, 2024).

After the North–South Highway, Jamaica's subsequent loan agreements with China moved away from land-for-loan deals and added escrow requirements—at odds with IMF-backed reforms centralising government accounts at the central bank. These clauses effectively ring-fenced future payments to China, ensuring repayment even though Jamaica's constitution already prioritised debt service. Jamaica's agreements included stringent confidentiality requirements and were typically governed by Chinese law—fuelling ongoing debates about transparency and oversight.

By 2019, the debt stock owed to China amounted to roughly 3–4 per cent of total public debt and, according to some sources, up to 6 per cent of all external debt—significant yet modest compared to multilateral and private-creditor exposure. In November 2019, Prime Minister Andrew Holness announced that Jamaica would no longer take on new loans from China, though Chinese companies were welcome to continue investing or to bid for public works through open tenders (Jamaica Gleaner, 2019). Several factors underpinned this shift. First, debt-reduction commitments under Jamaica's IMF programme and its own Fiscal Responsibility Framework prioritised lowering the debt-to-GDP ratio, limiting appetite for new sovereign borrowing. Second, lessons had been learned: after over a decade of large government-to-government deals, the limits of an off-the-shelf financing model with constrained flexibility, transparency and economic spillovers were clearer. Third, geopolitics came into play: according to various accounts, United States officials had become unusually vocal about Chinese activity in Jamaica—particularly in technology and infrastructure sectors—raising the political cost of further policy-bank borrowing.

The Jamaican case thus illustrates the attractions and limits of triangulation. China's policy banks and SOEs delivered high-profile infrastructure when traditional partners were absent, but the model imposed rigid conditions, generated limited spillovers and heightened domestic sensitivities around land use and sovereignty. The IMF provided fiscal discipline and credibility but constrained policy space and entailed prolonged austerity. Private capital markets offered liquidity, but at higher and more volatile rates. Navigating among these partners has been Jamaica's developmental reality: extracting gains from each while managing the costs, all against a shifting geopolitical backdrop. Jamaica's 2019 pivot shows that even small states can recalibrate—balancing relationships to preserve debt sustainability and sovereignty. Yet the margins remain narrow.

5.4 Development and Debt

A key issue closely tied to questions of borrower agency is that of debt. It deserves distinct attention—not only for its centrality in the debate on CDF, but also because of its deep implications for long-term sustainable development. Debt in itself is not inherently problematic. As Ann Pettifor (2014) argues, debt and money are not natural constraints—they are political economic constructs, and an economy can afford debt as long as a society has the capacity to deliver on the economic promise. Authors like Ha-Joon Chang (2002) and Mark Blyth (2013) have also pushed back against the austerity gospel, highlighting the productive role of state-led borrowing when geared toward transformation. China's own experience illustrates this dynamic: since the 1990s, the country has relied on a credit-driven growth model that mobilised vast domestic savings and channelled them into infrastructure, manufacturing and urban expansion. This approach fuelled rapid growth and industrial upgrading, but also left behind significant local debt burdens and industrial overcapacity—underscoring that debt can be a powerful development instrument but also a potential source of fragility when growth slows. The value of debt lies in whether it supports long-term development without undermining national sovereignty or certain degrees of fiscal stability. From this lens, the more relevant question is not "how much debt" but "what kind of debt, under which conditions, and for what purpose?"

China's emergence as a major development financier has catalysed this debate globally. Its vast lending programme has been cast by critics as a "debt trap", a notion suggesting that Beijing intentionally saddles countries with unsustainable obligations to seize strategic assets. But as Jones and Hameiri (2020) note, this narrative collapses under scrutiny. Chinese loans are generally driven by commercial motives—such as externalising surplus capital and securing economic returns—not grand geostrategic conquest. The Hambantota Port in Sri Lanka, often cited as a cautionary tale, was in fact a poorly conceived project driven by domestic elites and financed by both Chinese and Western sources (Brautigam, 2020; Jones and Hameiri, 2020).

What the evidence shows is that China's lending has increasingly prioritised risk mitigation over control. The new generation of loan contracts discussed above has moved away from asset collateralisation and towards liquidity collaterals, while practically being open to renegotiable terms. Nonetheless, concerns about transparency remain. AidData (Malik et al., 2021) finds that in 42 low- and middle-income countries, Chinese debt exposure exceeds 10% of GDP, much of it "hidden" from national accounts due to lending through SOEs, joint ventures, and special purpose vehicles. This has led to underreporting equivalent to nearly 6% of GDP, complicating fiscal planning and sovereign risk assessment (ibid).

Importantly, while China has grown as a creditor, it is not the largest source of external debt in many countries. In Zambia, which has recently undergone debt distress, the bulk of debt is owed to Western commercial lenders and multilateral institutions (Kern and Reinsberg, 2022), a case that is not dissimilar from that of Sri Lanka (Jones and Hameiri, 2020). The structural legacy of the 1980s debt crisis, when Global South countries became heavily indebted to the IMF and Paris Club lenders, continues to shape today's debt burdens. Yet, some Western critiques often ignore this history, casting China as a singular threat rather than one actor in a broader, deeply uneven global financial architecture (Black, 2001). As Zajontz (2021) argues, such recurrent cycles of debt accumulation, crisis, and restructuring reflect not only poor choices but also a broader structure of dependency embedded in global capitalism—where debt itself becomes a tool of control, recycled through shifting coalitions of creditors.

Where China diverges most from traditional donors is in its approach to debt distress. Instead of joining the Paris Club, Chinese institutions handle restructuring on a bilateral, fragmented basis. Policy and commercial banks operate autonomously, and full debt cancellation is rare—usually confined to interest-free loans that represent a tiny fraction of China's overall portfolio (Brautigam, 2022). Most restructurings involve maturity extensions or grace periods, rarely haircuts (Kratz and Mingey 2019). This institutional fragmentation complicates participation in coordinated relief. As discussed in the policy space section, Brautigam and Huang (2023) observe that China's decentralised system—ranging from the EXIM bank and CDB to central and provincial SOEs—slows joint negotiations under frameworks like the G20 Common Framework. Hameiri and Jones (2025b) add that this inconsistency stems from China's domestic institutional setup, where economic agencies, diplomats, and financial regulators often act with overlapping and at times conflicting mandates—limiting the country's capacity to engage coherently with global norms.

Moreover, Chinese finance is not always an exit ramp from austerity. As Kern and Reinsberg (2022) document, countries facing repayment problems on Chinese loans often return to the IMF, typically under more restrictive terms. Rather than displacing Bretton Woods institutions, CDF can precede deeper entanglement with them. Ferry and Zeitz (2024) show that borrowers with high levels of Chinese debt tend to undergo more prolonged negotiations with the IMF during crises, as coordination challenges and limited transparency delay agreement on restructuring plans. As Hameiri and Jones (2024) argue, today's sovereign debt gridlock is less about geopolitical rivalry and more about the commercial logics of fragmented creditor landscapes—China being just one participant.

The risks are not only at the macro level. Chen (2020) shows how delayed disbursements on the China–Laos railway forced contractors to self-finance, pushing the cost down the chain to workers through wage arrears and exploitative conditions. This also underscores how a lack of financial coordination can cascade into local liquidity shortfalls, resulting in labour precarity—harms that are rarely captured in official metrics. Moreover, not all Chinese loans have served productive or socially meaningful purposes. In some cases, poorly chosen projects, elite capture, and weak oversight have generated liabilities without commensurate benefits. While the "debt trap" thesis may be overstated, the risks of opaque, inefficient, or politically misaligned borrowing remain.

In sum, the debate on debt and CDF must move beyond caricatures. CDF offers opportunities, especially where it aligns with national development strategies, even if such opportunities are, as discussed above, often limited to infrastructural development. But realising its promise requires policy vision, strong institutions, fiscal transparency, and caution in the face of a global governance regime designed in the interests of creditors and not borrowers.

Vignette 3: Debt distress in Zambia

Zambia's recent debt troubles have inevitably put the spotlight on China's role as a major creditor. While Chinese lenders held only 13 per cent of Africa's debt in 2019 (World Bank, 2021), by the time Zambia defaulted on its foreign bonds in 2020, its loan commitments to China alone had reached the equivalent of 43 per cent of GNI (Brautigam, 2022a: 1347). Those obligations were scattered across at least 18 different banks and companies—around USD10.1 billion in 78 loans by 2020 (Brautigam, 2022a: 1363; Global Development Policy Center, 2025). Thereby, China's importance in Zambia's debt distress stemmed less from a distinct and unified lending strategy and more from the way CDF added to an already fragmented creditor landscape, making restructuring considerably harder (Brautigam, 2022b; Lawrence, 2022).

In the run-up to the crisis, a wide array of commercial, loosely coordinated Chinese creditors—both banks and firms—continued lending while engineering, procurement and construction (EPC) contractors competed aggressively and often bundled finance to win projects (Brautigam, 2022a: 1354–1357). From 2015, official data on public debt grew patchier. As a result, creditors—including rival Chinese banks that did not share portfolio information—lacked a reliable picture of Zambia's aggregate obligations, and this lack of clarity helped sustain lending despite rising risks (Brautigam, 2022a: 1362).

When the crunch came—Zambia defaulted on Eurobonds in November 2020—Lusaka entered the G20 Common Framework as an early test case. The process quickly revealed coordination frictions: an official creditor committee co-chaired by China and France (with South Africa as vice-chair); divergent approaches among numerous Chinese lenders; early Chinese requests to "ring-fence" the Kafue Gorge Lower (KGL) hydropower loan (ultimately, KGL was included in the official restructuring package); and a dispute over whether to include Zambian-law bonds held by foreign investors—Zambia sought to exclude them to protect the domestic market, while others argued they should be included (Grigorian and Bhayana, 2024; Lawrence, 2022). Talks also stalled over "comparability of treatment"—the principle that different creditor groups should offer relief of roughly similar value. In late 2023, the official creditor committee judged the bondholders' initial offer not comparable because it provided less short-term breathing space and a shorter delay to repayments than the Official Creditor Committee (OCC) baseline terms, even though the headline write-down looked larger. A revised package agreed on 25 March 2024 was then deemed comparable (Grigorian and Bhayana, 2024). Private creditors also lacked visibility on the official creditors' terms, which complicated like-for-like comparisons under the Common Framework (George, 2024).

After protracted talks, Zambia agreed a restructuring with Eurobond holders on 25 March 2024, which freed up funds in the short term and kept its IMF programme on track (Grigorian and Bhayana, 2024). In parallel, the IMF increased its programme in 2024 (from USD1.3bn to USD1.7bn) and released a further USD184m in December 2024—signalling progress on reforms and the restructuring (Makhmatova, 2025). This created some fiscal breathing space, including for health and education. Yet, as Makhmatova (2025) stresses, the relief is temporary: debt service continues to absorb a large share of revenues; copper dependence and climate shocks keep vulnerabilities high; and without deeper reforms to transparency, inter-creditor coordination, and fiscal capacity, large maturities in the late 2030s–2040s could bring pressures back.

In short, Zambia's experience highlights familiar creditor–debtor hierarchies while showing how the addition of a major creditor—via many separate Chinese lenders—further complicated coordination. It is now cited as the Common Framework's so-called first "success", but with "battle scars" that have left many wary of the mechanism's effectiveness (George, 2024). Zambia is unusual in the sheer number of Chinese creditors involved. Restructuring may prove less fraught where exposure is concentrated in fewer Chinese entities, although the structural power of creditors is likely to persist across the board.

5.5 Sustainable Development

Sustainability, in its broadest sense, runs as a thread through earlier discussions on the portfolio composition, contract architecture, borrower agency, and debt dynamics of CDF. Its implications depend on the developmental rationale of projects, financing conditions, borrower agency, institutional capacity, and debt sustainability. At the core of all these issues lies a broader question: do CDF-backed initiatives contribute to long-term development aligned with frameworks such as the Sustainable Development Goals (SDGs), or do they entrench short-termism at high environmental and social cost?

The composition of CDF's portfolio is central to this discussion. As outlined in the project portfolio section, Chinese finance has heavily favoured large-scale infrastructure—particularly in energy, transport, and extractives—which, while offering rapid and tangible economic returns, often carries considerable ecological and social risks. Bebbington et al. (2018) demonstrate that infrastructure and extractive activities in forested regions of the Amazon, Indonesia, and Mesoamerica have become leading drivers of deforestation, greenhouse gas emissions, and threats to community rights. These impacts are particularly pronounced where protections for local populations are weak or non-existent. AidData (2021) further indicates that a large proportion of the Chinese-funded projects suspended or cancelled between 2000 and 2017 were in transport and infrastructure. Land acquisition and compensation have posed persistent challenges, especially for Chinese contractors unfamiliar with resolving land ownership disputes abroad, in contexts where property protections, bureaucratic interests, and weak enforcement have made acquisition costly and contentious (Wissenbach, 2020).

The focus of CDF on infrastructure leads to an almost inevitable entanglement in issues of sustainability and rights—even when the infrastructure being developed holds clear developmental potential. This is particularly evident in the mining sector, where Chinese-financed infrastructure supporting transition mineral extraction—such as roads and ports—often lacks robust social, environmental and governance safeguards (Gu et al., 2025). Indeed, analyses suggest that 63% of projects financed by China's policy banks between 2008 and 2019 overlapped with critical habitats, protected areas, or Indigenous lands—posing disproportionately higher socio-ecological risks than comparable World Bank projects, particularly in the energy sector (Yang et al., 2021). Environmental controversies are also recurrent in other sectors: research and NGO reports highlight contamination and degradation linked to Chinese-financed transport, hydropower, and industrial projects, which often defer to host countries' inadequate environmental management systems (Ray et al., 2017; Gonzalez-Vicente, 2019; Godoy, 2021; Malik et al., 2021; Skålnes, 2021; Swaine, Mariani and Jones, 2021).

Quite often, ensuring that large infrastructure projects achieve the maximum developmental returns with the lowest possible impacts on sustainability and rights requires careful planning, transparent procedures, and inclusive participation. However, all these areas remain underdeveloped across most CDF arrangements, as seen, for example, in the confidentiality clauses discussed above. As noted in the contracts and policy space sections, field studies from Africa show that Chinese-financed projects frequently lack meaningful consultation with affected communities, undermining both project effectiveness and social legitimacy (Muchapondwa et al., 2016). This is frequently linked to government-to-government negotiations involving mostly state-owned agencies on both sides, which exclude local communities and actors from the outset (Liu, 2019; Godoy, 2021). Such exclusion has in turn provoked public backlash, operational hurdles for implementers, and in some cases xenophobic sentiment towards Chinese workers and firms (Nyabiage, 2021; Swaine, Mariani and Jones, 2021). Moreover, the opacity of Chinese finance—largely absent from platforms such as the OECD's Creditor Reporting System or the International Aid Transparency Initiative—has been widely acknowledged as a barrier to scrutiny and oversight (Muchapondwa et al., 2016). Chinese creditors and contractors are often reluctant to disclose detailed project data, invite external monitoring, or hold open tenders, further undermining credibility in international development arenas (Liu, 2019; Carrai, 2021).

These limitations are compounded by CDF's reliance on host country regulatory frameworks. While this model supports the principle of national ownership, it is problematic in settings where institutions are under-resourced or environmental safeguards are poorly enforced. Evidence from the Andean Amazon, for instance, shows that deferential approaches have often failed to prevent deforestation, displacement, and social unrest—especially where prior consultation and environmental impact assessments (EIAs) were insufficient or bypassed entirely (Ray et al., 2018: 3–22). Labour disputes have also emerged as a persistent challenge: cases involving Chinese employers have increased in Africa, Southeast Asia, and Latin America, most often concerning low wages and poor working conditions (Gardner, 2018; Siow, 2020; Nyabiage, 2021). In East African railway megaprojects, for example, Chinese SOE representatives unaccustomed to strikes at home struggled to resolve disputes through local courts and legal systems (Carrai, 2021).

This opacity intersects with another key dimension of sustainability: institutional capacity. A recurring concern is limited institutional capacity in many borrowing countries. In principle, China's flexible and non-prescriptive approach could help to reinforce domestic institutions by allowing greater national ownership. In practice, however, many countries engage with CDF at a moment of institutional fragility, shaped by decades of structural adjustment and externally driven reform (Kong and Gallagher, 2021). This has contributed to fragmented implementation, inconsistent oversight, and limited capacity for long-term planning. Evidence from the Balkans shows how Chinese-financed projects have bypassed national procurement and environmental regulation channels not only due to institutional weakness but also because of active political choices by host country elites, whose focus on rapid development and political gain has produced fiscal exposure and, in some cases, political backlash (Rogelja, 2020).

In some contexts, limited institutional capacity and weak regulatory oversight—both within recipient countries and on the part of Chinese lenders—have enabled forms of corruption that, while not unique to CDF, carry particular characteristics. In Ethiopia, for instance, Driessen (2019: 912–915) describes how corruption in Chinese-financed infrastructure projects often manifests through inflated procurement, preferential subcontracting, and informal payments to

expedite approvals. Rather than being sanctioned, such practices are frequently normalised as pragmatic collaboration between local officials and Chinese firms, distorting resource allocation and eroding public trust. Chinese aid has also been linked to heightened perceptions of corruption among citizens in African local governments, particularly where institutional oversight is weak (Cha, 2024). These dynamics echo concerns raised in the debt section regarding elite capture and poor oversight.
While traditional donors such as the World Bank have promoted participatory governance in recent decades, they often sidelined national governments during the era of structural adjustment. CDF represents a reversal—granting more discretion to governments but often marginalising local communities. The implications of this trade-off for sustainability, particularly in terms of long-term ownership and infrastructure maintenance, remain insufficiently examined, or at least research is partly inconclusive because outcomes depend heavily on contextual factors. Yet it is reasonable to suggest that while non-conditionality has been well received by many borrowers, the lack of meaningful participatory approaches is often at the centre of civil society backlash. Nonetheless, recent research suggests it is not always useful to frame CDF in opposition to traditional finance models. Existing co-financing arrangements—particularly with international or local partners—are associated with stronger local participation, higher project completion rates, and better environmental outcomes in Chinese-financed projects (Lu et al., 2024).

Crucially, as with many of the issues discussed above, CDF's approach to sustainability has not remained static. It has continued to evolve, adapting to specific contexts. The development of formal sustainability frameworks by Chinese policy banks—such as green finance guidelines and sector-specific risk assessments—is a welcome move, although most of these remain voluntary. Both the CDB and the China Export- EXIM Bank have issued internal guidance encouraging projects to follow environmental and social risk management (ESRM) principles, including the requirement for Environmental Impact Assessments and public participation under host country law (Friends of the Earth, 2016: 11–32).

A particularly notable development came in 2021, when China announced that it would no longer finance new coal-fired power plants abroad. This policy change, driven by global climate pressures and China's own carbon neutrality goals, has shifted the emphasis toward renewables (Wang et al., 2024). While this marks a significant departure from earlier practices, the sustainability of future energy investments will depend not only on their carbon profile, but also on implementation standards, consultation practices, and regulatory integrity. Moreover, evidence suggests that while some coal projects have been cancelled, the total number of coal plants financed by China has continued to increase (Gonzalez et al. 2023)

More broadly, the Chinese government has issued a suite of policies designed to embed green finance into its banking system. These include the Green Credit Guidelines (CBRC, 2012) and directives from the State Council promoting market-based mechanisms for environmental protection. In collaboration with the UN Environment Programme, the People's Bank of China has supported the Green Finance Task Force, which has urged Chinese banks to adopt international sustainability norms, such as the Equator Principles (Friends of the Earth, 2016: 13–14).

More recently, regulators have also taken steps to align Chinese financial institutions with global ESG disclosure norms, including efforts to make environmental risks more transparent and comparable across sectors (UNEFI, 2025). While most of these reforms remain focused on domestic finance, recent moves to standardise ESG disclosures and expand instruments such as green bonds, transition finance, and green insurance could, over time, shape sustainability practices in China's overseas development lending (Yue and Nedopil, 2025). In parallel, pilot initiatives like the "Green BRI" reform—trialled in selected Chinese provinces—have been shown to reduce the carbon intensity of outbound investment projects, offering early evidence that domestic regulatory changes can lead to measurable improvements in the environmental footprint of CDF (Larsen et al., 2023).

Yet implementation continues to lag behind commitment. According to UNDP and CDB (2019), even though Chinese DFIs have established SES guidelines, monitoring, grievance mechanisms, and institutional accountability remain limited, particularly in overseas lending. CDB and EximBank have yet to implement fully independent accountability mechanisms comparable to those of the World Bank or the Inter-American Development Bank (UNDP, 2021). These shortcomings have been acknowledged for years, with earlier voluntary guidelines for overseas environmental governance proving largely ineffective without enforcement (Zhang et al., 2015).

In sum, while CDF can facilitate timely responses to critical infrastructure needs, its contribution to the SDGs will ultimately depend on how effectively speed and scale are balanced with transparency, regulation, and accountability. Greater transparency, independent monitoring, and genuine stakeholder engagement—particularly in fragile institutional environments—remain essential if CDF is to enhance its impacts on sustainable, equitable development.

5.6 Geopolitics

An important issue for consideration in this report is the set of geopolitical tensions that have emerged around development cooperation more broadly, and development finance in particular. These tensions have been unfolding for more than two decades, but appear to have intensified since the COVID-19 pandemic, when narratives of "strategic competition" between China and other countries became more prominent. While this report does not seek to provide a comprehensive account of the complex geopolitical and geoeconomic dynamics at play, it is important to note that CDF has consistently been situated within this broader geopolitical backdrop. Three main areas of tension can be identified.

The first concerns the longstanding contest for diplomatic recognition between China and Taiwan, dating back to 1949 and intensifying from the 1970s onwards. In what was once termed "chequebook diplomacy", both sides have extended significant aid and development finance to countries viewed as potential candidates for switching recognition—whether to preserve existing ties or to encourage a change. The literature generally suggests that Beijing has developed an unparalleled capacity to attract Taiwan's allies through promises of large-scale infrastructure projects and preferential access to Chinese markets. Increasingly, and reflecting the evolving imbalance of power between the two, development programmes in both Taiwan and China have been intertwined with economic interests and the projection of norms and soft power, rather than functioning purely as transactional diplomatic exercises (Tubilewicz, 2016). As of 2024, only 12 countries recognise Taiwan. Over the past decade, a succession of recognition switches—from states in Africa, Latin America, the Pacific and the Caribbean—has been accompanied by the mobilisation of CDF within a clear framework of geopolitical competition.

The second area of tension relates to China's relations with countries in its immediate geographic vicinity. The BRI, often interpreted as a grand strategy for China's outward economic expansion—despite academic literature pointing to more complex origins and drivers (Jones and Zeng, 2019)—has generated anxiety among regional rivals such as India and Japan. India views China's BRI projects in Pakistan, Sri Lanka and Bangladesh as a challenge to its economic and security goals, and has declined to sign a memorandum of understanding on BRI cooperation (Kamdar, 2019). Japan, historically the leading development financier in post-war Asia, has likewise expressed open scepticism towards China's lending and project implementation approaches, despite notable similarities between the two countries' overseas development finance strategies. Tokyo regarded the establishment of the Asian Infrastructure Investment Bank (AIIB) as a direct challenge to the existing multilateral development cooperation architecture centred on the Asian Development Bank (ADB), which Japan has traditionally co-led with the United States (Pesek, 2019). Russia, for its part, also remains wary of China's growing influence in Central Asia (Ubaydullaeva, 2025)

The third area involves tensions with certain Western countries. China's overseas development finance has raised concerns in the United States and parts of Europe (Balding, 2018; The Economic Times, 2019). The United States and some European governments and firms have criticised what they perceive as excessive state intervention in projects and the dominance of Chinese SOEs, arguing that these practices distort competition and reduce benefits for non-Chinese partners (Chance, 2016). Washington has expressed particular concern over Beijing's expansion of influence—backed by development finance—in regions that the United States has traditionally considered its sphere of influence, such as the Middle East and Latin America. For example, the United States opposed a World Bank-financed project to connect Nauru to Guam, an American territory and regional hub, via undersea cables, because one of the bidders was Huawei, the Chinese telecommunications company designated as a security risk by United States authorities (Barrett and Yew, 2021). While the European Union recognises the potential benefits of the BRI, it has been highly cautious regarding China's engagement with Central and Eastern European countries and the possible implications for European cohesion (Kynge and Peel, 2017).

As discussed throughout this report, these narratives of tension—framing competing world views and models of development finance—can obscure important similarities between Chinese and other types of development finance. Some authors have described this as a "miserly convergence" between China and the West (Hameiri and Jones, 2025a), with development cooperation increasingly shaped by fiscally constrained models, reduced concessional resources, and a heavier reliance on commercial instruments and private finance mobilisation. The outcome is that heightened geopolitical competition is unlikely to produce the substantial increases in development assistance that many had anticipated. Be that as it may, CDF has had to navigate these shifting geopolitical waters, proceeding with caution in certain geographies and facing both fair and self-interested critiques. Overall, geopolitical tensions between Beijing and other major powers have created obstacles for China's overseas development activities, influencing both the reception of CDF and the strategic calculus of partner countries.

6. Conclusion and Policy Implications

This report provides a comprehensive overview of China's development finance (CDF), covering its institutional structure, strategic motivations, policy preferences, operational practices, key challenges and global implications. It draws on a wide range of sources, including academic literature, official policy documents, corporate and banking records, media reports, NGO publications, and interviews with development finance practitioners. Special attention is given to Chinese-language materials to capture domestic perspectives shaped by China's political priorities, economic needs, and social norms—dimensions often underrepresented in mainstream Western appraisals of CDF.

The report also highlights key aspects of CDF, including its project portfolio, complex contract structures, the policy space of recipient countries, debt concerns, sustainability impacts, and geopolitical tensions. It identifies major trends in CDF that reflect opportunities and challenges posed by Chinese finance, global structural inequalities, and the prospects for achieving the Sustainable Development Goals (SDGs). Importantly, the report incorporates perspectives from the Global South, whose agency, responses, and in some cases limited engagement, significantly influence project outcomes. The social, economic, and environmental implications of Chinese-funded projects in these countries are central to assessing the extent to which CDF aligns with the SDGs, and thus lies at the core of this analysis.

This report aims to inform the public about the key structures and developments of CDF and to offer policy recommendations for development policymakers. Rather than restating the report's findings, this concluding section highlights several key insights. Policy implications will be outlined in the second part of the conclusion.

The first lesson is that CDF has entered a "post-peak" phase. Sovereign lending has slowed, while new modalities—such as off-balance-sheet mechanisms, public-private partnerships, and investments in green and digital infrastructure—are expanding. These shifts reflect pressures in partner countries, including debt risks, and changes within China's economy. Recognising this transition is essential to understanding the likely direction of CDF in the coming decade.

A second lesson is that developmental outcomes depend critically on borrower agency and local participation. Where institutions are strong and strategies coherent, CDF has often helped advance national priorities; where capacity and inclusion are weak, limited transparency and exclusion of local actors have undermined effectiveness and legitimacy. This underscores the importance of borrower capacity, disclosure, and stakeholder engagement in shaping results while also highlighting a key weakness of CDF: limited support for institutional capacity development.

A third lesson is that, although dominated by state-affiliated entities, CDF is explicitly shaped by —and seeks to promote—market mechanisms. Within domestic Chinese discourse, development finance is seen as a vital instrument for promoting economic growth and social stability across a range of policy areas. It is conceived as a bridge between the state and the market, deploying state-backed credit to meet market needs or address market failures. Chinese analysts often present "market principles" as normative benchmarks that development finance institutions ought to follow. Accordingly, they argue that the operations of these institutions—including project preparation, evaluation, credit assessment, implementation, and monitoring—ought to prioritise long-term *economic* viability alongside primary development goals. Financial profitability is seen as an important safeguard, with analysts emphasising the need to avoid projects vulnerable to political interference or bureaucratic inefficiency that might undermine financial returns. In practice, while state-affiliated actors play a dominant role in disbursing and utilising development finance, their ambitions are not framed as counter to market principles; rather, they are presented as responding to market incentives and extending market logics into sectors and locations where high investment risk would otherwise deter private participation.

A fourth lesson is that, in practice, this market orientation is markedly stronger in China's overseas development finance than in its domestic financing. Domestic development finance spans poverty alleviation, social welfare, climate action, strategic industry support, and infrastructure. By contrast, overseas development finance is more narrowly focused on large-scale, commercially viable physical infrastructure—especially in transport and energy. This narrower scope means that overseas projects are primarily assessed in terms of financial viability, which can limit their wider developmental contribution.

A fifth lesson is that the fragmented, decentralised architecture of CDF brings agility and scale, but also coordination challenges in delivery. While the central government and ministerial agencies make efforts to align these institutions with the country's strategic overseas goals, they also grant significant operational autonomy—especially to policy and commercial banks and state-owned enterprises (SOEs)—to pursue commercial opportunities within broad strategic frameworks. Multiple ministries play key roles in policy-making and coordination but often compete for resources, power, and influence, leading to overlapping responsibilities and jurisdictional conflicts. Although state-owned banks and enterprises mobilise state finance, they frequently prioritise commercial interests over the state's strategic objectives at the project level. This configuration helps to explain both the speed of deployment and recurrent delivery bottlenecks.

A sixth lesson is that CDF expands the menu of development finance options, yet its portfolio is comparatively narrow and carries material risks. CDF has introduced new options—particularly through its emphasis on large-scale infrastructure, government-to-government modalities, and non-conditional lending—but its emphasis on strategic, commercially viable projects and state-affiliated operators can sideline more socially embedded, participatory, and environmentally sustainable approaches. The predominance of debt-based financing, limited transparency, and constrained restructuring options (including lender-protective contractual provisions) raise concerns about long-term development effectiveness, particularly in fragile institutional environments.

A seventh lesson is that, compared with traditional development finance models that often promote local stakeholder participation but constrain national economic policy, CDF frequently exhibits the reverse pattern. It grants borrowing governments and national elites greater discretion—partly reversing the constraints imposed during the structural adjustment era—but it does so at the cost of marginalising community participation and inclusive consultation. This strengthens national ownership, yet can also reinforce executive dominance and limit accountability, especially in contexts of weak institutions. Moreover, CDF's decentralised and fragmented nature complicates collective action and coordination, particularly during debt crises. While this offers recipient governments greater policy space in theory, the actual exercise of such space is contingent upon their institutional strength and negotiation capacity. The exclusion of local stakeholders from planning processes and the opacity of lending practices have undermined both project legitimacy and developmental outcomes in several contexts. Strengthening borrower systems, disclosure, and participatory processes would help to address these risks without eroding national ownership.

An eighth lesson is that, although most research emphasises bilateral channels, China is also deeply engaged in multilateral development finance. China collaborates with all major multilateral development finance institutions (MDFIs) through various means, including capital contributions that secure official membership, establishing collaborative trust funds, co-issuing bonds, knowledge exchanges, and providing aid to multilateral organisations. China is also a significant borrower from selected multilateral development banks (MDBs) like the Asian Development Bank (ADB) and World Bank. While China holds moderate influence in most MDBs—except for the New Development Bank (NDB) and Asian Infrastructure Investment Bank (AIIB), which it helped establish—it participates actively to gain technical assistance, learn from and adopt international practices (especially in project management, procurement, and safeguards), share financial risks, and strengthen its influence in MDFI governance. Despite some tensions over issues like representation, procurement rules, and MDB safeguards, China remains a committed supporter of multilateral development finance.

A ninth lesson is that Chinese financiers are experimenting with a widening range of co-financing arrangements. Over the past two decades, Chinese banks have increasingly collaborated with a wide range of international public and private partners to support large-scale development projects. Co-financing allows Chinese institutions to diversify risk, pool resources, and enhance the economic viability of major infrastructure and energy projects. It also exposes them to international lending practices—including project evaluation, risk assessment, and environmental and social safeguards—fostering long-term global cooperation. Evidence suggests that co-financed projects tend to have higher completion rates and better environmental outcomes. Additionally, Chinese governments and financial institutions have established funds alongside MDFIs to provide more stable and long-term financing. This support is welcomed by multilateral institutions, and helps China to enhance its informal influence within them, while generating financial returns.

A tenth lesson is that coordination with MDBs and other financiers remains uneven. Emerging practices—such as co-financing arrangements, evolving environment, social and governance (ESG) disclosure norms, and limited but growing regulatory reforms—suggest potential for greater alignment with global development standards. Yet these reforms remain nascent and inconsistently applied, particularly across China's overseas operations. Deepening cooperation with MDBs and improving alignment with multilateral debt treatment processes would support more predictable outcomes.

In conclusion, while CDF offers an alternative source of development finance that resonates with many developing countries' infrastructure ambitions and sovereignty concerns, its contribution to sustainable and equitable development remains uneven. Realising its full potential will require a shift toward greater transparency, institutional accountability, and stakeholder inclusion, both within China's financial architecture and among its development partners. Coupled with stronger borrower capacity, clearer restructuring pathways, disciplined project selection in a "post-peak" environment, and greater coordination with MDBs, CDF can better support long-term, inclusive, and sustainable development.

Policy implications for European Engagement with Chinese Development Finance

As CDF continues to evolve in scope, modalities, and influence, European policymakers should adopt a pragmatic and strategic approach. This entails recognising both the opportunities and challenges of engaging with Chinese institutions, acknowledging the shifting landscape of global development cooperation, and responding to the legitimate—and increasingly complex—demands of partner countries that now face a wider range of financing options. Such an approach is particularly important for advancing progress towards the SDGs, safeguarding global financial stability, and navigating intensifying geopolitical tensions.

1) Balance Constructive Engagement with Strategic Caution.

While cooperation with Chinese institutions is important, European engagement must be guided by a clear understanding of the geopolitical dimensions of China's development finance strategy. This includes concerns around debt sustainability, strategic dependencies, and the broader implications of China's expanding global influence. Dutch policymakers should adopt a principled but pragmatic approach—adhering to globally recognised standards of transparency, accountability, labour and environmental safeguards, and human rights without resorting to counterproductive decoupling that could hinder global SDG progress. Strategic caution is especially important in fragile states or critical sectors such as energy and digital infrastructure. Incorporating geopolitical risk assessments into Dutch development finance strategies will help ensure that cooperation does not inadvertently undermine national or EU strategic interests. At the same time, development finance should not be securitised or used as an instrument of bloc politics. Engagement should resist decoupling narratives, and prioritise complementarity and SDGs delivery, particularly as other actors scale back their global development commitments.

2) Recognise the Institutional Diversity within Chinese Development Finance.

Policymakers should avoid treating CDF as a monolithic entity. The institutional landscape is fragmented, comprising ministerial bodies, policy banks, commercial banks, and SOEs—each operating under different mandates and incentives. While some institutions prioritise commercial returns, others operate according to broader strategic directives from Beijing. Effective engagement requires a nuanced understanding of these institutional dynamics, including variations in operational autonomy, risk appetite, approaches to safeguards, and commitment to global standards. Developing context-specific engagement strategies can help identify credible partners and strengthen project-level coordination.

3) Rebuild trust with partners that have turned towards China by addressing historical grievances.

Acknowledge legacies associated with past conditionality and debt episodes; prioritise debt transparency and fair burden-sharing in restructurings; and commit to country-led priorities. Adopt a relationship-based, listen-first approach that treats partners as equals —though regular policy dialogues, joint diagnostics, and co-created country compacts—avoiding the export of templates based on EU priorities. Frame Europe's comparative advantage not in prescriptive models, but in reliability, quality, and respect for sovereignty. Back this stance with concrete actions, including participatory mechanisms at multiple levels, predictable disbursements, transparent contracts, and timely restructurings, to ensure and strengthen long-term partnerships.

4) Strengthen borrower capacity, promote country ownership and ensure meaningful participation.

Ring-fence resources for long-term institutional strengthening —public investment management, debt management, procurement, audit, and environmental and social (E&S) systems— so that partner institutions can plan, appraise, procure, and supervise projects independently (whether financed by Chinese or other partners). Require early and inclusive stakeholder engagement (including sub-national authorities and affected communities) and ensure that feedback is integrated into project design. Where co-financing with Chinese lenders is pursued, channel technical assistance through borrower systems to build local capability rather than establishing parallel delivery mechanisms. Reaffirm that recipients are not passive aid beneficiaries or proxies in geopolitical competition, but leading development partners.

5) Build Complementary Partnerships to Advance the SDGs.

European countries should explore partnerships with Chinese institutions that align with shared development priorities, especially the SDGs. These may include collaborative trust funds, joint capacity-building initiatives, and knowledge-sharing platforms focused on strengthening local governance, safeguard frameworks, and monitoring mechanisms in partner countries. For instance, Dutch institutions can serve as a bridge between Chinese capital and global sustainability standards by offering technical expertise in sustainable urban planning, agriculture, water management and environmental safeguards. Working with Chinese lenders and local partners, Dutch actors can help ensure that large-scale infrastructure projects generate both commercial returns and social value, with the latter treated as a core objective and measured through clear results frameworks.

6) Deepen Engagement through Regional and Multilateral Platforms

European countries should continue encouraging Chinese participation in regional and multilateral platforms where constructive engagement is possible. As a strong supporter of organisations like the European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IDB) and International Fund for Agricultural Development (IFAD), the Netherlands can push for enhanced social, environmental and governance safeguards in multilateral settings where China is a co-financier. Dutch policymakers can also promote reforms that integrate local stakeholder engagement into project planning. Further, initiatives such as EU-China development dialogues and regional investment platforms provide strategic channels to shape norms without direct confrontation between China and individual EU member states. Through such platforms, the Netherlands can advance risk-sharing instruments and debt sustainability mechanisms that mitigate the risks associated with large-scale debt-financed development.

7) Offer finance that matches CDF's most attractive features without diluting safeguards.

European institutions can learn from CDF's emphasis on speed, predictability, and formal respect for partner priorities, while recognising that not every stage of the project cycle can or should be accelerated. Process-driven reforms, however, can reduce delays without weakening standards. This includes adopting risk-based environmental and social due diligence—allowing expedited procedures for clearly low-risk operations—using parallel rather than sequential reviews, and providing additional resources or expert staff to relieve bottlenecks in technical and safeguard assessments (IFC, 2012; World Bank 2024a). Where appropriate, efficiency can also be gained by using and strengthening country systems that meet equivalence, and by standardising documentation and simplifying approval steps (OECD, 2023). Streamlined approval windows should be reserved for well-prepared, high-impact projects with time-bound reviews, while policy conditionality should remain limited to measures directly necessary for project viability and inclusion. In short, acceleration should come from better sequencing, resourcing, and coordination, not from relaxing social or environmental protections (MOPAN, 2025, World Bank, 2016)

8) Leverage Strategic Opportunities in Co-Financing.

European development finance institutions and MDBs should actively explore co-financing mechanisms with Chinese banks, particularly in infrastructure, energy, and climate-related projects. Evidence indicates that co-financed projects often demonstrate higher completion rates and better environmental outcomes. They also serve as a platform to promote Chinese adherence to global standards in project evaluation, risk management, and ESG standards, while offering opportunities for European lenders to draw lessons from CDF's strengths outlined above. For example, Dutch public and private financial institutions—such as Dutch Entrepreneurial

Development Bank (FMO), ABN AMRO, Rabobank and ING—have co-financed development projects with Chinese banks for the past two decades. Sustained collaboration can help diversify risk and raise project standards. At a time when multilateral for a and high-level decision-making are increasingly constrained by geopolitical sensitivities, project-based cooperation through co-financing offers a more pragmatic avenue for mutual learning and constructive influence over standards and practices. Within the MDB frameworks, the Netherlands should continue to advocate for greater transparency and accountability in co-financed projects involving Chinese actors.

9) Embed quality finance standards that are SDGs-driven and fiscally responsible.

Commit to contract transparency; open, competitive procurement; publication of beneficial ownership; and independent E&S monitoring with accessible grievance mechanisms and labour-rights compliance. Avoid lender protective clauses, and limit broader macroeconomic policy conditionality that unduly constrains policy space. Prioritise pricing and loan maturities aligned with debt sustainability analyses, and require disclosure of all public-sector liabilities. Europe's comparative advantage should not be cheap capital, but predictable, transparent, and development-centred finance that strengthens country systems and builds long-term resilience.

In sum, the Netherlands can play a catalytic role in fostering a more transparent, sustainable, and rules-based global development finance system. By engaging constructively —but critically— with CDF through multilateralism, niche technical expertise, and principled co-financing, Dutch actors can help shape a global financial architecture that advances both development outcomes and strategic stability.

References

Addison, T., Mavrotas, G., and McGillivray, M. (2005). Development assistance and development finance: Evidence and global policy agendas. *Journal of International Development*, 17(6), 819–836. https://doi.org/10.1002/jid.1243

Africa Energy Portal (n.d.). NAMIBIA: Energy China to build 50 MW wind farm near Lüderitz. Retrieved August 15, 2025. https://africa-energy-portal.org/news/namibia-energy-china-build-50-mw-wind-farm-near-luderitz

AidData (2021). AidData's Global Chinese Development Finance Dataset, Version 2.0. https://www.aiddata.org/data/aiddatas-global-chinese-development-finance-dataset-version-2-0

Al Jazeera. (2019). Malaysia rail project to resume after China agrees to cost cut, April 12. https://www.aljazeera.com/economy/2019/4/12/malaysia-rail-project-to-resume-after-china-agrees-to-cost-cut

Alami, I., and Taggart, J. (2024). A partial conversion: How the 'unholy trinity' of global economic governance adapts to state capitalism. *European Journal of International Relations*. https://doi.org/10.1177/13540661241226472

Alves, A. C. (2013). Chinese economic statecraft: A comparative study of China's oil-backed loans in Angola and Brazil. *Journal of Current Chinese Affairs*, 42(1), 99–130. https://doi.org/10.1177/186810261304200105

Arduino, A. and Cainey, A. (2019). *Risk Assessment and Mitigation in Central Asia: Implications for Foreign Direct Investment and the Belt and Road Initiative*. London: European Bank for Reconstruction and Development.

Askari, H and Li, X. (2024). **揭穿"中国债务陷阱论"的三大要点** (Three key points to debunk the 'China Debt Trap' narrative). *习近平外交思想哥新时代中国外交 (China's Diplomacy in the New Era)*, December 3. http://cn.chinadiplomacy.org.cn/2024-12/03/content_117583537.shtml

Balding, C. (2018). Why democracies are turning against Belt and Road: Corruption, debt, and backlash. *Foreign Affairs*, 24 October. https://www.foreignaffairs.com/articles/china/2018-10-24/why-democracies-are-turning-against-belt-and-road

Bandiera, L., and Tsiropoulos, V. (2019). A framework to assess debt sustainability and fiscal risks under the Belt and Road Initiative. World Bank Group, Macroeconomics, Trade and Investment Global Practice, Policy Research Working Paper 8891.

https://openknowledge.worldbank.org/entities/publication/0848fa54-f682-51fa-a385-05c5146451d9

Barrett, J. and Yew, L.T. (2021). Pacific undersea cable project sinks after U.S. warns against Chinese bid. *Reuters*, 18 June. https://www.reuters.com/world/asia-pacific/exclusive-pacific-undersea-cable-project-sinks-after-us-warns-against-chinese-2021-06-18/

BBC. (2018). Mamamah airport: Sierra Leone cancels China-funded project, October 10. https://www.bbc.com/news/world-africa-45809810

Bebbington, A. J., Bebbington, D. H., Sauls, L. A., Rogan, J., Agrawal, S., Gamboa, C., Imhof, A., Johnson, K., Rosa, H., Royo, A., Toumbourou, T., and Verdum, R. (2018). Resource extraction and infrastructure threaten forest cover and community rights. *Proceedings of the National Academy of Sciences*, 115(52), 13164-13173. https://doi.org/10.1073/pnas.1812505115

Black, S. (2001). Life and Debt. [Film]. New Yorker Films.

Blyth, M. (2013). *Austerity: The history of a dangerous idea*. Oxford University Press.

Brautigam, D. (2020). A critical look at Chinese 'debt-trap diplomacy': the rise of a meme. *Area Development and Policy*, 5(1), 1-14. https://doi.org/10.1080/23792949.2019.1689828

Bräutigam, D. (2021). How Zambia and China Co-Created a Debt 'Tragedy of the Commons. Working Paper No. 2021/51. Washington, DC: China Africa Research Initiative, School of Advanced International Studies, Johns Hopkins University. https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/615263af0820b159230eccb1/1632789426031/WP+51+%E2%80%93+Brautigam+%E2%80%93+Zambia+Tragedy+of+the+Commons.pdf

Bräutigam, D. (2022). China and Zambia: Creating a sovereign debt crisis. *International Affairs*, 98(4), 1347–1365. https://doi.org/10.1093/ia/iiac109

Bräutigam, D. (2022b). Time for a new sovereign debt restructuring regime? *The International Economy*, Summer, 33–35. https://www.international-economy.com/TIE_Su22_Brautigam.pdf

Bräutigam, D. and Huang, Y. (2023). Integrating China into multilateral debt relief: Progress and problems in the G20 DSSI. SAIS China-Africa Research Initiative. https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/663a3c243c86334bb9502b59/1715094765196/Brautigam%26Huang_China%26DSSI_CARI_PolicyBrief64.pdf

Bräutigam, D., Bhalaki, V., Deron, L. and Wang, Y. (2022). How Africa borrows from China: And why Mombasa Port is not collateral for Kenya's Standard Gauge Railway. SAIS-CARI Working Paper 2022/52. Johns Hopkins University, School of Advanced International Studies (SAIS), China Africa Research Initiative (CARI). https://www.econstor.eu/bitstream/10419/253388/1/sais-cari-wp52.pdf

Cai, W. (2017). 一带一路：赚钱是否硬道理? (Belt and Road: Is making money the ultimate truth?). *财新博客(Caixin Blog)*, August 23, https://caiweiming.blog.caixin.com/archives/167571

Caixin (2017). 央行副行长殷勇："一带一路"融资如何避免道德风险 (Central Bank's Deputy Governor Yin Yong: How to avoid moral hazard in Belt and Road financing), August 12, https://finance.caixin.com/2017-08-12/101129732.html

Carmody, P. (2023). Post-peak China in Africa? *Hungarian Journal of African Affairs*, 17(1): 5-28. https://doi.org/10.15170/AT.2023.17.1.1

Carmody, P. and Wainwright, J. (2022). Contradiction and restructuring in the Belt and Road Initiative: Reflections on China's pause in the 'Go world'. *Third World Quarterly*, 43(12), 2830-2851. https://doi.org/10.1080/01436597.2022.2110058

Carmody, P., Zajontz, T. and Reboredo, R. (2022). From 'debt diplomacy' to donorship? China's changing role in global development. *Global Political Economy*, 1(2), 198-217. Retrieved May 20, 2025, from https://doi.org/10.1332/UZHW7185

Carrai, M.A. (2021). Adaptive governance along Chinese-financed BRI railroad megaprojects in East Africa. *World Development*, 141, 105388. https://doi.org/10.1016/j.worlddev.2020.105388

Carroll, T. (2014). "Access to Finance" and the Death of Development in the Asia-Pacific. *Journal of Contemporary Asia*, 45(1), 139–166. https://doi.org/10.1080/00472336.2014.907927

CBIMC (2022). 首席观点: 发挥政策性开发性金融工具效能 (Chief opinion: Maximizing the effectiveness of policy-based and developmental financial instruments). *中国银行保险报网 (China Banking and Insurance News)*, September 8. https://bank.jrj.com.cn/2022/09/08132836982867.shtml

CDB (2019). 开发性金融：一带一路可持续发展报告 (Development finance–Belt and Road Initiative, Sustainability Report), April 29. https://www.cdb.com.cn/shzr/kcxfzbg/shzr_zt/

CDB (2020a). 25 Years Anniversary of the Establishment of CDB (国家开发银行成立25周年). https://www.cdb.com.cn/kfxjr/kfxjrzzg/gkhcleswzn/

CDB (2020b). Sustainable Development Report 2020. https://www.cdb.com.cn/English/bgxz/kcxfzbg1/kcx2020/

CDB (n.d.). About Development Finance (关于开发性金融). https://www.cdb.com.cn/kfxjr/gykfxjr/

CDB (2021). Sustainable Development Report 2021. https://www.cdb.com.cn/English/bgxz/kcxfzbg1/kcx2021/

CDB (2022). Sustainable Development Report 2022, https://www.cdb.com.cn/English/bgxz/kcxfzbg1/kcx2022/

CDB (2023). *Sustainability Report 2023*. https://www.cdb.com.cn/English//shzr/kcxfzbg/shzr_2023/

CDB (2023). Sustainable Development Report 2023. https://www.cdb.com.cn/English/bgxz/kcxfzbg1/kcx2023/

CDB Hainan Branch (2023). 开发性金融服务自贸港建设行稳致远 (Developmental financial services ensure steady and long-term progress in free trade port construction). *中国金融 (China Finance)*, 20: 29-31. https://news.qq.com/rain/a/20231019A06QWM00

Cha, S. (2024). Chinese aid and corruption in African local governments. *Journal of International Development*, 36(1), 587–605. https://doi.org/10.1002/jid.3829

Chance, A. (2016). *American Perspectives on the Belt and Road Initiative: Sources of Concern, Possibility for US-China Cooperation*. Institute for China-America Studies. https://chinaus-icas.org/wp-content/uploads/2017/02/American-Perspectives-on-the-Belt-and-Road-Initiative.pdf

Chang, H.-J. (2002). *Kicking Away the Ladder: Development Srategy in Historical Perspective*. Anthem Press.

Chen, Jin and Liu, Xizi (2016). 开发性金融支持战略性新兴产业发展及国际化研究(A study on developmental finance in supporting the growth and internationalization of strategic emerging industries). *现代管理科学 (Modern Management Science)*, 12: 15–17.

Chen, M. (2018). Official Aid or Export Credit: China's Overseas Development Finance and the Role of Policy Banks. Boston University Global Development Policy Center. https://www.bu.edu/gdp/files/2018/07/GCI-Muyang-Chen-2018.pdf

Chen, M. (2020). Beyond donation: China’s policy banks and the reshaping of development finance. *Studies in Comparative International Development*, 55(4), 436–459. doi:10.1007/s12116-020-09310-9. https://doi.org/10.1007/s12116-020-09310-9

Chen, M. (2021). Infrastructure finance, late development, and China’s reshaping of international credit governance. *European Journal of International Relations*, 27(3), 830-857. https://doi.org/10.1177/13540661211002906

Chen, W. K. (2020). Sovereign debt in the making: Financial entanglements and labor politics along the Belt and Road in Laos. *Economic Geography*, 96(4), 295–314. https://doi.org/10.1080/00130095.2020.1810011

Chen, W., Wang, H. and Cai, W. (2017). 多边开发银行体系中的亚投行: 一个比较分析框架 (The Asian Infrastructure Investment Bank in the multilateral development bank system: A comparative analytical framework). *当代财经 (Contemporary Financial & Economics),* 07: 46-57.

Chen, Y, and Emery, T. (2025). *Greener on the Other Side? Mapping China’s Overseas Co-financing and Financial Innovation*. ODI report. https://odi.org/en/publications/greener-on-the-other-side-mapping-chinas-overseas-co-financing-and-financial-innovation/

Chen, Y. and Dong, Z. (2022). 开发性金融支持“一带一路”基础设施建设的对策研究 (Research on countermeasures for development finance to support the infrastructure construction of the Belt and Road). *国际贸易 (Intertrade)*, 04:74-81.

Cheng, H., Mawdsley, E. and Liu, W. (2022). Reading the Forum on China–Africa Cooperation (2000-2021): geoeconomics, governance, and embedding ‘creative involvement’. *Area Development and Policy*, 8(1), 60–83. https://doi.org/10.1080/23792949.2022.2092018

Cheng, W. (2024).浅谈“一带一路”共建国家与中国开展银行业合作的双向推动 (A brief discussion on the mutual promotion of banking cooperation between Belt and Road partner countries and China). *中国经济网 (China Economic Network)*, April 11. http://fec.mofcom.gov.cn/article/xgzx/xgzxfwydyl/202404/20240403501901.shtml

Chi, Wanli (2022). 央行回应市场热点话题！事关货币政策、存贷款、金融风险、数字人民币...... (The Central Bank responds to market hot topics: Monetary policy, deposits and loans, financial risks, and the digital yuan). *21 财经 (21 Caijing)*, July 13. https://m.21jingji.com/article/20220713/herald/9241823844ce1497f8a763472270c0a2.html

Chin, G.T. and Gallagher, K.P. (2019). Coordinated credit spaces: The globalization of Chinese development finance. *Development and Change*, 50(1), 245–274. https://doi.org/10.1111/dech.12470

China Merchants Port Holdings Company Ltd. (2017, December 8). Update on discloseable transaction: Concession agreement in relation to Hambantota Port, Sri Lanka. Hong Kong. http://www.cmport.com.hk/UpFiles/bpic/2017-12/20171208063230273.pdf

China News (2025). 中国进出口银行助力非洲多国可持续发展 (The Export-Import Bank of China supports sustainable development in multiple African countries). *中国新闻网(China News)*, March 1. https://www.chinanews.com/cj/2025/03-01/10376021.shtml

Cui, S. and Jiao, Y. (2021) 南南合作视域下中国开发性金融国际化发展研究 (Research on the internationalization and development of China's development finance from the perspective of South-South cooperation). *教学与研究 (Teaching and Research)*, 12:88-99.

Custer, S., Burgess, B., Kim, H.K., Krisnadi, M.F., Marshall, K., Mathew, D., Patrick, F., Saputra, A.D., Solis, J.A., and N. Sritharan. (2025). *Balancing Risk and Reward: Who benefits from China's investments in Indonesia?* Williamsburg, VA: AidData at William & Mary.

Dann, P. and Riegner, M. (2019). The World Bank's Environmental and Social Safeguards and the evolution of global order. *Leiden Journal of International Law*, 32(3), 537–559. https://doi.org/10.1017/S0922156519000293

Deng, Y. (2024). 气候行动、国际合作与气候金融发展 (Climate action, international cooperation, and climate finance development). *国际金融 (International Finance)*, 09: 11-19.

Driessen, M. (2019). Laughing about corruption in Ethiopian-Chinese encounters. *American Anthropologist*. 121, 911-922. https://doi.org/10.1111/aman.13320

Engel, L. and Moses, O. (2023, October 16). 10 charts for the BRI at 10. Global Development Policy Center. https://www.bu.edu/gdp/2023/10/16/10-charts-for-the-bri-at-10/

Faust, J. and Neubert, S. (2010). *Brazil as an Emerging Actor in International Development Cooperation*. German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE). https://www.idos-research.de/uploads/media/BP_5.2010.pdf

Ferry, L. L. and Zeitz, A. O. (2024). China, the IMF, and sovereign debt crises. *International Studies Quarterly*, 68(3), sqae119. https://doi.org/10.1093/isq/sqae119

Friends of the Earth U.S. (2016). China Development Bank and China Export-Import Bank. https://foe.org/wp-content/uploads/wpallimport/files/archive/emerging-sustainability-frameworks-CDB-ChinaExim.pdf

Gardner, A., Lin, J., Morris, S. and Parks, B. (2020, November). Bargaining with Beijing: A tale of two borrowers (CGD Note). Center for Global Development. https://www.cgdev.org/sites/default/files/bargaining-beijing-tale-two-borrowers.pdf

Gardner, T. (2018). In Ethiopia's bushlands, promised riches of a railway boom turn to dust. *The Guardian*, 12 May. Available at: https://www.theguardian.com/global-development/2018/may/12/ethiopia-railway-boom-promises-turn-to-dust#:~:text=In%20Ethiopia's%20bushlands%2C%20promised%20riches%20of%20a%20railway%20boom%20turn%20to%20dust,-The%20new%20railway&text='They%20promised%20us%20we,the%20bottom%20of%20the%20hill.

Gelpern, A., Horn, S., Morris, S., Parks, B. and Trebesch, C. (2021). *How China Lends: A Rare Look into 100 Debt contracts with Foreign Governments*. Center for Global Development, AidData, Kiel Institute, and Peterson Institute for International Economics. https://www.cgdev.org/publication/how-china-lends

George, L. (2024). Zambia's debt-rework battle scars mar its Common Framework success. *Reuters*. https://www.reuters.com/world/africa/zambias-debt-rework-battle-scars-mar-its-common-framework-success-2024-03-28/

Ghiselli, A. and Morgan, P. (2021). A turbulent Silk Road: China's vulnerable foreign policy in the Middle East and North Africa'. *The China Quarterly*, 247, 641–661. https://doi.org/10.1017/S0305741020001216

Glennie, J. (2008). *The Trouble with Aid: Why Less Could Mean More for Africa*. Zed Books.

Global Development Policy Center, Boston University. (2025). *Chinese Loans to Africa Database*. https://www.bu.edu/gdp/chinese-loans-to-africa-database/

Godoy, E. (2021). China struggles with socio-environmental standards in Latin America. *Inter Press Service*, 4 August. http://www.ipsnews.net/2021/08/china-struggles-socio-environmental-standards-latin-america/

Gonzalez-Vicente, R. (2019). Make development great again? Accumulation regimes, spaces of sovereign exception and the elite development paradigm of China's Belt and Road Initiative. *Business and Politics*, 21(4), 487-513.https://doi.org/10.1017/bap.2019.20

Gonzalez-Vicente, R. (2020). Varieties of capital and predistribution: The foundations of Chinese infrastructural investment in the Caribbean. *Made in China Journal*. https://madeinchinajournal.com/2020/05/06/varieties-of-capital-and-predistribution-chinese-investment-carribean/

Gonzalez-Vicente, R. (2022). In the name of the nation: Authoritarian practices, capital accumulation, and the radical simplification of development in China's global vision. *Globalizations*, 21(6), 1041–1056. https://doi.org/10.1080/14747731.2022.2121061

Gonzalez, P., Dai, J., Wang T.X. (2023). 2 years later: China's ban on overseas coal power projects and its global climate impacts. Centre for Research on Energy and Clean Air. https://energyandcleanair.org/wp/wp-content/uploads/2023/11/CREA_China-Overseas-Coal-2023_FINAL_10.2023.pdf

Government of Beijing (2022). 北京市经济和信息化局国家开发银行北京市分行 关于开发性金融助力高精尖产业高质量发展推进首都产业强链筑基专项合作的通知 (Notice from the Beijing Municipal Bureau of Economy and Information Technology and the Beijing Branch of the China Development Bank on special cooperation to use development finance to promote high-quality development of high-tech and advanced industries and strengthen key industrial chains in the capital). 北京市经济和信息化局 (Beijing Municipal Bureau of Economy and Information Technology), September 2. https://www.beijing.gov.cn/fuwu/lqfw/gggs/202209/t20220902_2807994.html

Griffith-Jones, S. (2016). Development banks and their key roles: Supporting investment, structural transformation and sustainable development (Discussion Paper No. 59). Brot für die Welt. https://www.stephanygj.net/papers/Development_banks_and_their_key_roles_2016.pdf

Grigorian, D. A. and Bhayana, A. (2024). Zambia: A Case Study of Sovereign Debt Restructuring under the G20 Common Framework. Center for Global Development. http://www.jstor.org/stable/resrep64209

Gu, B., Radomski, J., Ray, R. and Sanborn, C. (2025). *Unmined potential? Opportunities for Development Finance Institutions to Support Sustainability and Inclusion in Transition Mineral Supply Chains*. Boston University Global Development Policy Center. https://www.bu.edu/gdp/files/2025/03/GCI-Transition-Minerals-Report-2025-FIN.pdf

Hameiri, S. and Jones, L. (2023). Why the West's alternative to China's international infrastructure financing is failing. *European Journal of International Relations*, 30(3), 697–724. https://doi.org/10.1177/13540661231218573

Hameiri, S. and Jones, L. (2024). China, international competition and the stalemate in sovereign debt restructuring: Beyond geopolitics. *International Affairs*, 100(2), 691–710. https://doi.org/10.1093/ia/iiae017

Hameiri, S. and Jones, L. (2025a). International development financing in the second Cold War: The miserly convergence of Western donors and China. *Development and Change*, 56(1), 3–30. https://doi.org/10.1111/dech.12871

Hameiri, S. and Jones, L. (2025b). Explaining China's approach to the global governance of sovereign debt distress: A state transformation analysis. *Review of International Political Economy*, 1–25. https://doi.org/10.1080/09692290.2025.2451753

Hernandez, D. (2017). Are "new" donors challenging World Bank conditionality? *World Development*, 96, 529-549. https://doi.org/10.1016/j.worlddev.2017.03.035

Hu, Huaibang (2017) (2017). 开发性金融与"一带一路"建设 (Development finance and "Belt and Road Initiative" construction). *中国金融 (China Finance)*, 09: 25-27.

Hu, T. (2022). 国开行、农发行设立基础设施基金 注册资本金均为100亿元 (China Development Bank and Agricultural Development Bank establish infrastructure funds, each with a registered capital of 10 billion yuan). *21 财经 (21 Caijing)*, July 25. https://m.21jingji.com/article/20220725/herald/85ee51cae3213a5162f74f0108b34609.html

Huang, Y. (2020) 'Why is the World Bank still lending to China?' *Caixin,* January 15, 2020, posted on https://carnegieendowment.org/posts/2020/01/why-is-the-world-bank-still-lending-to-china?lang=en

Huang, Y. and Liao, C. (2024). 开发性金融支持福建省普惠养老服务体系建设研究 (Research on developmental finance supporting the construction of an inclusive elderly care service system in Fujian Province). *福建金融 (Fujian Finance)*, 10:67-71.

Humphrey, C. and Chen, Y. (2021). *China in the Multilateral Development Banks: Evolving Strategies of a New Power*. ODI Report. https://odi.org/en/publications/china-multilateral-development-banks/

Humphrey, C. and Michaelowa, K. (2019). China in Africa: Competition for traditional development finance institutions? *World Development*, 120, 15–28. https://doi.org/10.1016/j.worlddev.2019.03.014

IDB (2013). China to provide $2 billion for Latin America and the Caribbean Co-financing Fund. News Releases, March 16. https://www.iadb.org/en/news/china-provide-2-billion-latin-america-and-caribbean-co-financing-fund

IFC (International Finance Corporation) (2012). Performance standards on environmental and social sustainability. https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standards-en.pdf

Liu, I.T, Dixon, A. (2022)., What does the state do in China's state-led infrastructure financialisation? *Journal of Economic Geography* 22(5): 963–988. https://doi.org/10.1093/jeg/lbac009

Jamaica Gleaner (2019). No new loans from China, says PM. 10 November. https://jamaica-gleaner.com/article/news/20240815/lobby-calls-halt-chec-mammee-bay-watershed-development

Jamaica Gleaner (2024). Lobby calls for halt to CHEC Mammee Bay watershed development. 15 August. https://jamaica-gleaner.com/article/news/20240815/lobby-calls-halt-chec-mammee-bay-watershed-development

Ji, X. (2024). 新时代全天候命运共同体！中非合作新蓝图已绘就 (A new era of all-weather Community of Shared Future! A new blueprint for China-Africa cooperation has been drawn). *中国发展改革报社 (China Development and Reform News)*, September 9. https://www.ndrc.gov.cn/wsdwhfz/202409/t20240909_1392908.html

Jin, G. (2022). 发挥好政策性开发性金融工具作用 (Make good use of policy-based and developmental financial instruments). *经济日报 (Economic Daily)*, August 15. https://www.gov.cn/xinwen/2022-08/14/content_5705279.htm

Jones, L. and Hameiri, S. (2020). *Debunking the Myth of 'Debt-trap Diplomacy'*. Chatham House. https://www.chathamhouse.org/2020/08/debunking-myth-debt-trap-diplomacy

Jones, L. and Hameiri, S. (2021). *Fractured China: How State Transformation is Shaping China's Rise*. Cambridge University Press.

Jones, L. and Zeng, J. (2019). Understanding China's 'Belt and Road Initiative': Beyond 'grand strategy' to a state transformation analysis. *Third World Quarterly*, 40(8), 1415–1439. https://doi.org/10.1080/01436597.2018.1559046

Joy-Pérez, C. and Scissors, D. (2018). The Chinese state funds Belt and Road but does not have trillions to spare. American Enterprise Institute. https://www.aei.org/wp-content/uploads/2018/03/BRI.pdf?x91208

Jung, H. (2020). Development finance, blended finance and insurance. *International Trade. Politics and Development*, 4(1), 47–60. https://doi.org/10.1108/ITPD-12-2019-0011

Kamdar, B. (2019). What to make of India's absence from the Second Belt and Road Forum? *The Diplomat*, 9 May. https://thediplomat.com/2019/05/what-to-make-of-indias-absence-from-the-second-belt-and-road-forum/

Kaplan, S. B. (2016). Banking unconditionally: the political economy of Chinese finance in Latin America. *Review of International Political Economy*, 23(4), 643–676. https://doi.org/10.1080/09692290.2016.1216005

Katada, S. N. and Liao, J. (2020). China and Japan in pursuit of infrastructure investment leadership in Asia: Competition or convergence? *Global Governance,* 26(3), 449–472. https://www.jstor.org/stable/27082830

Kern, A. and Reinsberg, B. (2022). The political economy of Chinese debt and International Monetary Fund conditionality. *Global Studies Quarterly*, 2(4), ksac062. https://doi.org/10.1093/isagsq/ksac062

Kim, J. (2011). Foreign aid and economic development: The success story of South Korea. *Pacific Focus*, 26: 260-286. https://doi.org/10.1111/j.1976-5118.2011.01065.x

Kong, B. and Gallagher, K. P. (2020). Chinese development finance for solar and wind power abroad. Boston University Global Development Policy Center. https://www.bu.edu/gdp/files/2020/02/WP9-Kong-Bo-inc_abstract.pdf

Kong, B. and Gallagher, K. P. (2021). Inadequate demand and reluctant supply: The limits of Chinese official development finance for foreign renewable power. *Energy Research & Social Science*, 71, 101838. https://doi.org/10.1016/j.erss.2020.101838

Kragelund, P. (2015). Towards convergence and cooperation in the global development finance regime: closing Africa's policy space? *Cambridge Review of International Affairs*, 28:2, 246-262. https://doi.org/10.1080/09557571.2014.974141

Kratz, A and Mingey, M. (2019). New data on the “debt trap” question. Rhodium Group, 29 April. https://rhg.com/research/new-data-on-the-debt-trap-question/

Kynge, J. and Peel, M. (2017). Brussels rattled as China reaches out to Eastern Europe. *Financial Times*, November 27. https://on.ft.com/3XaRdym

Kynge, J., Hornby, L. and Weinland, D. (2018). China development banks expand links with foreign lenders. *Financial Times*, 15 July. https://www.ft.com/content/e0a2dd52-85b4-11e8-a29d-73e3d454535d

Landry, D. (2021). Under a money tree? Comparing the determinants of Western and Chinese development finance flows to Africa. *Oxford Development Studies*, 49(2), 149–168. https://doi.org/10.1080/13600818.2020.1865901

Larsen, M. L., Voituriez, T. and Nedopil, C. (2023). Chinese overseas development funds: An assessment of their sustainability approaches. *Journal of International Development*, 35(8), 2373–2396. https://doi.org/10.1002/jid.3778

Law Library of Congress. (2013). Regulation of Foreign Aid: South Africa. https://www.loc.gov/law/help/foreign-aid/southafrica.php

Lawrence, P. (2022). The return of recession, debt and structural adjustment. *Review of African Political Economy*, 49(174), 523–530. https://doi.org/10.1080/03056244.2022.2204035

Li, X. and Zeng, K. (2019). To join or not to join? State ownership, commercial interests, and China’s Belt and Road Initiative’. *Pacific Affairs*, 92(1), 5–26. https://www.jstor.org/stable/48541514

Liao, J.C. (2019). A good neighbor of bad governance? China’s energy and mining development in Southeast Asia. *Journal of Contemporary China*, 28(118), 575–591. https://doi.org/10.1080/10670564.2018.1557947

Liu, L. (2013). 大海外”战略布局谋篇——访中国建筑股份有限公司副总裁刘锦章 (Strategic deployment for “Big Overseas--Interview with Vice President Liu Jinzhang of China State Construction Engineering Corporation). *International Project Contracting and Labour Service*, 8: 41–44.

Liu, N. (2025). 从巴拿马「退群」 看一带一路新方向 (Observing new directions of the Belt and Road Initiative through Panama’s withdrawal). *明报 (Ming Pao)*, February 19, https://icb.hku.hk/chs/sharing/detail/Column-2025%E5%B9%B402%E6%9C%8824%E6%97%A5

Liu, W. (2019). *The Belt and Road Initiative: A Pathway towards Inclusive Globalization*. Routledge.

Lu, Y., Springer, C. and Steffen, B. (2024). Cofinancing and infrastructure project outcomes in Chinese lending and overseas development finance. *World Development*, 175. https://doi.org/10.1016/j.worlddev.2023.106473

Lui, K. and Chen, Y. (2021). The evolution of China's lending practices on the Belt and Road. *ODI Emerging Analysis*. ODI. https://odi.org/en/publications/the-evolution-of-chinas-lending-practices-on-the-belt-and-road

Luo, Yunkai (2018). **政策性金融与开**发性金融若干问题研究 (Comparative study on the differences between policy-oriented finance and development-oriented finance). *国际经济合作 (Journal of International Cooperation)*, 9: 21-24.

Lv, X., Chen, J., Ge, H. and Zhu, Y. (2025). **气候金融**实践与发展建议 (Climate finance practices and development recommendations). *气候变化研究进展 (Advances in Climate Change Research),* 21(01): 78-90.

Lynton, J. and Gonzalez-Vicente, R. (2022). Jamaica. *The People's Map of Global China*. https://thepeoplesmap.net/country/jamaica/

Ma, M. (2022).**上海**证券报 "**政策性开**发性金融工具驰援 **首批基建**项目资本金落地 (Policy-based developmental finance instruments rush to the rescue as capital for the first batch of infrastructure projects is deployed). *上海证券报 (Shanghai Securities News)*, July 27. https://paper.cnstock.com/html/2022-07/27/content_1645604.htm

Makhmatova, S. (2025). Zambia's debt turnaround. *ISS African Futures*. https://futures.issafrica.org/blog/2025/Zambias-debt-turnaround

Malik, A., Parks, B., Russell, B., Lin, J., Walsh, K., Solomon, K., Zhang, S., Elston, T., and S. Goodman. (2021). *Banking on the Belt and Road: Insights from a New Global Dataset of 13,427 Chinese Development Projects*. Williamsburg, VA: AidData at William & Mary. https://www.aiddata.org/publications/banking-on-the-belt-and-road

Mawdsley, E. (2012). *From Recipients to Donors: Emerging Powers and the Changing Development Landscape*. Zed Books.

Mawdsley, E. (2015). DFID, the private sector and the re-centring of an economic growth Agenda in International Development. *Global Society*, 29(3), 339–358. https://doi.org/10.1080/13600826.2015.1031092

Mawdsley, E. (2019). South–South Cooperation 3.0? Managing the consequences of success in the decade ahead. *Oxford Development Studies*, 47(3), 259–274. https://doi.org/10.1080/13600818.2019.1585792

Mawdsley, E. and Hughes-McLure, S. (2024). Blended finance. *Handbook of Aid and Development*, Edward Elgar Publishing. p.348-358.

Mawdsley, E., Savage, L. and Kim, S.-M. (2014). A "post-aid world"? Paradigm shift in foreign aid and development cooperation at the 2011 Busan High Level Forum. *The Geographical Journal*, 180(1), 27–38. http://www.jstor.org/stable/43868584

Meidan, M. (2016). China's loans for oil: Asset or liability? *Oxford Institute for Energy Studies*. WPM 70. https://www.oxfordenergy.org/publications/chinas-loans-oil-asset-liability/

Ministry of Commerce (2021). 迎接建党百年华诞中哈合作成果巡礼之十 ——开发性金融助力"一带一路"高质量发展 (Celebrating the 100th Anniversary of the Communist Party of China– A review of China-Kazakhstan cooperation (Part 10): Development finance supporting high-quality Belt and Road Initiative development). Economic and Commercial Office of the Embassy of the People's Republic of China in the Republic of Kazakhstan. http://kz.mofcom.gov.cn/tpjj/art/2021/art_3874721e4e3f47e6a7472926df9e7712.html

Ministry of Foreign Affairs (2025). 外交部部长助理赵志远就巴方拟终止中巴共建"一带一路"谅解备忘录向巴方提出严正交涉 (Assistant Foreign Minister Zhao Ziyuan lodges solemn representations with Pakistan over its plan to terminate the China-Pakistan Belt and Road MoU). News. https://www.mfa.gov.cn/wjbxw_new/202502/t20250208_11551333.shtml

Ministry of Human Resource and Social Security of the People's Bank of China (2021). 国家开发银行关于开展开发性金融支持劳务协作有关事项的通知 (Notice from the China Development Bank on carrying out development finance support for labor cooperation). Policy reference: 717823004. https://www.mohrss.gov.cn/xxgk2020/fdzdgknr/zcfg/gfxwj/jy/202112/t20211224_431177.html

Miriri, D. and Gomes, M. (2025, May 8). JPMorgan's $200 million Angola margin call reveals Africa's new debt pains. *Reuters*. https://www.reuters.com/world/africa/jpmorgans-200-million-angola-margin-call-reveals-africas-new-debt-pains-2025-05-08/

MOPAN (Multilateral Organisation Performance Assessment Network) (2025). MOPAN Assessment Report: Asian Development Bank (ADB). MOPAN Publishing, Paris. https://www.mopan.org/en/our-work/performance-evidence/adb.html

Morris, S., Parks, B. and Gardner, A. (2020). Chinese and World Bank lending terms: A systematic comparison across 157 countries and 15 years. Center for Global Development. https://www.cgdev.org/publication/chinese-and-world-bank-lending-terms-systematic-comparison

Muchapondwa, E., Nielson, D., Parks, B., Strange, A. M. and Tierney, M. J. (2016). 'Ground-truthing' Chinese development finance in Africa: Field evidence from South Africa and Uganda. *The Journal of Development Studies*, 52(6), 780–796. https://doi.org/10.1080/00220388.2015.1087510

Myers, M. and Gallagher, K. (2020). Scaling back: Chinese development finance in LAC, 2019. *The Dialogue*. https://www.thedialogue.org/wp-content/uploads/2020/03/Chinese-Finance-to-LAC-2019.pdf

Myers, M. and Ray, R. (2022). What role for China's policy banks in LAC? *Inter-American Dialogue and Boston University Global Development Policy Center*. https://www.thedialogue.org/analysis/what-role-for-chinas-policy-banks-in-lac/

Nan, B. and Y. Huang (2023). 解读：实现"一带一路"的"小而美"，需注重社会效益和经济效应的统一 (Interpretation: To achieve a 'Small and Beautiful' Belt and Road Initiative, attention must be paid to the unity of social benefits and economic effects). *澎湃 (The Paper)*, October 24. https://m.thepaper.cn/detail/25030819

NDRC (2020). 数字化转型伙伴行动帮扶举措之金融机构（一）(Digital Transformation Partnership Action: Support measures for financial institutions (Part I). May 13. https://www.ndrc.gov.cn/xwdt/ztzl/szhzxhbxd/jcbf/202005/t20200513_1227944.html

Norris, W.J. (2018). *Chinese Economic Statecraft: Commercial Actors, Grand Strategy, and State Control*. Cornell University Press.

Nyabiage, J. (2021). Pressure grows between African mineworkers and their Chinese bosses. *South China Morning Post*, 3 August. https://www.scmp.com/news/china/diplomacy/article/3143667/pressure-grows-between-african-mineworkers-and-their-chinese

OECD (2023). *Development Co-Operation Report 2023: Debating the Aid System*. https://www.oecd.org/en/publications/2023/02/development-co-operation-report-2023_be7899d0.html

Pan, C. (2023). 以开发性金融服务统一大市场建设 (Serving the construction of unifying large market by development finance). *China Finance (中国金融)*, 11: 48-50.

People's Daily (2018). 开发性金融助力中非合作 (Development Finance Supports China-Africa Cooperation), September 24. http://paper.people.com.cn/rmrbhwb/html/2018-09/24/content_1882904.htm

People's Daily (2022). 关于加强中国—东盟共同的可持续发展联合声明 (Joint Statement on Strengthening China-ASEAN Cooperation for Sustainable Development), November 12. https://www.gov.cn/xinwen/2022-11/12/content_5726375.htm

People's Daily (2024). 国开行：深化金融合作 服务共筑高水平中非命运共同体 (China Development Bank: Deepening financial cooperation to jointly build a high-level China-Africa Community of Shared Future), September 4. http://finance.people.com.cn/n1/2024/0904/c1004-40312725.html

Pesek, W. (2019). EU-Japan axis emerges to counter China's BRI. *Asia Times*, 9 October. https://asiatimes.com/2019/10/eu-japan-axis-emerges-to-counter-chinas-bri/

Petry, J. (2022). Beyond ports, roads and railways: Chinese economic statecraft, the Belt and Road Initiative and the politics of financial infrastructures. *European Journal of International Relations*, 29(2), 319-351. https://doi.org/10.1177/13540661221126615

Pettifor, A. (2014). *Just Money: How Society Can Break the Despotic Power of Finance*. Commonwealth Publishing.

Qiu, X. (2024). 以开发性金融创新推动"一带一路"高质量建设 (Promoting high-quality Belt and Road development through innovative development finance). *中国外资 (Foreign Investment in China)*, 21: 94-97.

Ray, R., Gallagher, K., López, A. and Sanborn, C. (eds.) (2017). *China and Sustainable Development in Latin America: The Social and Environmental Dimension*. Anthem Press.

Reilly, J. (2021). *Orchestration: China's Economic Statecraft Across Asia and Europe*. Oxford University Press.

Rogelja, I. (2020). Concrete and coal: China's infrastructural assemblages in the Balkans. *Political Geography*, 81: 102220. https://doi.org/10.1016/j.polgeo.2020.102220

Rudyak, M. and Chen, Y. (2021). *China's Lending Landscape and Approach to Debt Relief*. ODI Report. https://odi.org/en/publications/chinas-lending-landscape-and-approach-to-debt-relief/

Russel, D.R. and Berger, B. (2019). *Navigating the Belt and Road Initiative*. New York: Asia Society Policy Institute. https://asiasociety.org/sites/default/files/2019-06/Navigating%20the%20Belt%20and%20Road%20Initiative_2.pdf.

Sampson, M., Wang, J. and Mosquera Valderrama, I. (2021). Trade, tax, and development finance: understanding China's choice of BRI agreements and institutions. In Schneider, F. (ed.) *Global Perspectives on China's Belt and Road Initiative: Asserting Agency through Regional Connectivity*. Amsterdam University Press.

Sanderson, H. and Forsythe, M. (2013). *China's Superbank: Debt, Oil and Influence: How China Development Bank Is Rewriting the Rules of Finance*. Singapore: WILEY.

Shi, Y. (2024). 共建"一带一路"多边合作 ：进展、挑战与路径 (Multilateral cooperation in jointly building the Belt and Road: Progress, challenges, and pathways). 习近平经济思想研究中心 (Xi Jinping Economic Thoughts Research Centre), November 14. https://www.ndrc.gov.cn/wsdwhfz/202411/t20241114_1394466.html

Sial, F., Jafri, J. and Khaliq, A. (2023). Pakistan, China and the structures of debt distress: Resisting Bretton Woods. *Development and Change*, 54: 1226-1263. https://doi.org/10.1111/dech.12798

Singh, J. P. (2019). Development finance 2.0: Do participation and information technologies matter? *Review of International Political Economy*, 26(5), 886–910. https://doi.org/10.1080/09692290.2019.1616600

Siow, M. (2020) What China's struggles with a Thai railway say about the Belt and Road. *South China Morning Post*, 13 October. https://www.scmp.com/week-asia/politics/article/3105183/what-chinas-struggles-thai-railway-say-about-belt-and-road

Skalamera Groce, M., and Köstem, S. (2023). The dual transformation in development finance: Western multilateral development banks and China in post-Soviet energy. *Review of International Political Economy*, 30(1), 176-200. https://doi.org/10.1080/09692290.2021.1974522

Skålnes, L.S. (2021). Layering and displacement in development finance: The Asian Infrastructure Investment Bank and the Belt and Road Initiative. *The Chinese Journal of International Politics*, 14(2), 257–288. https://doi.org/10.1093/cjip/poab001

Song, Y. and Kan, J. (2024). 为完善全球治理推动可持续发展注入中国力量——国际社会期待习近平主席出席二十国集团里约峰会 (Injecting Chinese strength into improving global governance and promoting sustainable development — The international community looks forward to

President Xi Jinping attending the G20 Rio Summit). *新华社 (Xinhua)*, November 10. http://www.news.cn/politics/leaders/20241110/0896289949ee4b009d91f0292f8afac9/c.html

State Council (2023). 共建"一带一路"：构建人类命运共同体的重大实践 (Jointly building the Belt and Road: A major practice in building a Community with a Shared Future for Mankind). October. http://www.scio.gov.cn/gxzt/dtzt/49518/32678/index.html

Studer, I. (2015). *Mexico's Role in Development Cooperation: Bridging North and South*. United Nations University Centre for Policy Research. https://collections.unu.edu/eserv/UNU%3A3327/unu_cpr_mexico_dev.pdf

Su, H. (2024). 深入践行开发性金融使命 奋力谱写中国式现代化甘肃篇章——专访国家开发银行甘肃省分行党委书记、行长李志军 (Deeply fulfilling the mission of developmental finance and striving to write a chapter of Chinese-style modernization in Gansu — Exclusive interview with Li Zhijun, Party Secretary and President of the Gansu Branch of the China Development Bank). *甘肃经济日报 (Gansu Economics Daily)*, October 19. https://www.gsjb.com/system/2024/12/31/031116450.shtml

Suzuki, S. (2021). Economic statecraft, interdependence, and Sino-Japanese "rivalry". *The Pacific Review*, 35(5), 971–994. https://doi.org/10.1080/09512748.2021.1941209

Swaine, R., Mariani, B. and Jones, I. (2021). *Public perceptions of the Belt and Road Initiative: Guiding 'Win-Wins' for People, Business and Policy Makers*. Saferworld. https://www.saferworld.org.uk/resources/publications/1358-public-perceptions-of-the-belt-and-road-initiative-guiding-awin-winsa-for-people-business-and-policy-makers

Taggart, J., Cheng, H., and Power, M. (2025). Chinese Development Finance and African policy space: Towards productive incoherence? *Journal of International Development*, 37(4), 1039–1053. https://doi.org/10.1002/jid.3996

The Economic Times (2019) "Fed up" of US criticism of BRI, Says China, 9 May. https://economictimes.indiatimes.com/news/international/business/fed-up-of-us-criticism-of-bri-says-china/articleshow/69253669.cms.

Tian, X. and Li, Y. (2024) Northeast region charts new course to revitalization. *China Daily*, May 20. https://www.chinadailyhk.com/hk/article/583561

Tubilewicz, C. (2016). State transformation and the domestic politics of foreign aid in Taiwan. *The Pacific Review*, 29(1), 45-66. https://doi.org/10.1080/09512748.2015.1066412

Ubaydullaeva, D. (2025). Russia and China both want influence over Central Asia. Could it rupture their friendship? *The Conversation*, 3 April. https://theconversation.com/russia-and-china-both-want-influence-over-central-asia-could-it-rupture-their-friendship-251023

UNDP (2021). *China's Overseas Development Finance: Review of Flows and Definitions, and Potential Support for SDG Attainment in Partner Countries*. https://www.undp.org/china/publications/chinas-overseas-development-finance-review-flows-and-definitions-and-potential-support-sdg-attainment-partner-countries

UNDP (2016). *Concessional Financial Flows Among Southern Countries*. United Nations Development Programme. https://www.undp.org/sites/g/files/zskgke326/files/publications/11873%20-%20Concessional%20Financial%20Flows%20Among%20Southern%20Countries_Op%2008_Web%20Version%281%29.pdf

UNEFI (United Nations Environment – Finance Initiative) (2025). China embarks on a journey of ESG disclosure: 2024 progress and focus for 2025. https://www.unepfi.org/industries/banking/china-embarks-on-a-journey-of-esg-disclosure/

Vazquez, K.C. and Chin, G.T. (2019). The AIIB and sustainable infrastructure: A hybrid layered approach. *Global Policy*, 10(4), 593–603. https://doi.org/10.1111/1758-5899.12771

Vervynckt, M. and Romero, M. J. (2017). Asociaciones público-privadas: Cómo desactivar la bomba de relojería. *European Network on Debt and Development (Eurodad)*. https://www.eurodad.org/ppps-briefing-2017

Wang, F. (2019). 开发性金融与中拉产能合作 (Development finance and China-Latin America production capacity cooperation). *中国金融 (China Finance)*, 01: 84-86.

Wang, H. (2021). The Belt and Road Initiative agreements: Characteristics, rationale, and challenges. *World Trade Review*, 20(3), 282-305. https://doi.org/10.1017/S1474745620000452

Wang, J. and Sampson, M. (2022). China's multi-front institutional strategy in international development finance. *The Chinese Journal of International Politics*, 15(4), 374-394. https://doi.org/10.1093/cjip/poac019

Wang, Liwei (2017). 一带一路"如何走出"平行宇宙"（上）——撤钱之忧与人民币国际化 (How the Belt and Road Initiative can escape Its 'parallel universe' (Part 1) — Concerns over excessive spending and the internationalization of the Renminbi). *财新博客 (Caixin Blog)*, July 6. https://wangliwei.blog.caixin.com/archives/164000

Wang, Y., Liu, C., and Sun, Y. (2024). No more coal abroad! Unpacking the drivers of China's green shift in overseas energy finance. *Energy Research & Social Science*, 111, 103456. https://doi.org/10.1016/j.erss.2024.103456

Weerakoon, D., and Jayasuriya, S. (2019, February 28). Sri Lanka's debt problem isn't made in China. *East Asia Forum*. https://www.eastasiaforum.org/2019/02/28/sri-lankas-debt-problem-isnt-made-in-china

Wissenbach, U. (2020). African agency in the Belt and Road Initiative: Kenya's rail investment as China's flagship BRI project in Africa. In Carrai, M., Defraigne, J.-C., and Wouters, J., *The Belt and Road Initiative and Global Governance*. Edward Elgar Publishing, pp. 204–224.

World Bank (2016). Environmental and Social Framework. https://www.worldbank.org/en/projects-operations/environmental-and-social-framework

World Bank (2024). *From Vision to Impact: Implementing the World Bank Group Evolution - Update to Governors* (English). Development Committee, Washington, D.C.: World Bank Group. http://documents.worldbank.org/curated/en/099032924184513110

World Bank Group. (2021, January). International Debt Statistics. https://www.worldbank.org/en/programs/debt-statistics/ids

World Bank. (2025). Sustainable Infrastructure Finance: Overview. Retrieved May 21. https://www.worldbank.org/en/topic/sustainableinfrastructurefinance/overview#:~:text=The%20infrastructure%20gap%20is%20significant,people%2D%2Dremain%20digitally%20unconnected.

Wu, Z. (2021). 开发性金融支持数字经济发展 (Developmental finance in support of advancing the digital economy). *中国金融 (China Finance)*, 06: 73-74.

Xi, Jinping (2021). 把握新发展阶段，贯彻新发展理念，构建新发展格局 (Seize the new stage of development, implement the new development philosophy, and foster a new development paradigm). *Qiushi*. https://www.gov.cn/xinwen/2021-04/30/content_5604164.htm

Xinhua (2022). 政策性开发性金融工具已投放3000亿元 支持基础设施重点领域项目 (Policy-based development finance instruments have deployed 300 billion Yuan to support key infrastructure projects). *The State Council Website*. August 29. https://www.gov.cn/xinwen/2022-08/29/content_5707310.htm

Xinhua (2023). 国家开发银行：融通资金 服务共赢 助力共建"一带一路"高质量发展 (China Development Bank: Mobilizing finance, serving win-win cooperation, and supporting the high-quality development of the Belt and Road Initiative). October 17. http://www.news.cn/money/20231016/e2b3be1ed715448780efb6483c546eb3/c.html

Xinhua (2024). 中国代表呼吁全球加强合作推动可持续发展目标落实 (Chinese representative calls for strengthened global cooperation to promote the implementation of Sustainable Development Goals). May 10. https://www.gov.cn/yaowen/liebiao/202405/content_6950245.htm

Xinhua Financial (2023). 有特色有亮点有实效 政策性开发性金融工具持续落地 (Distinctive, outstanding, and effective: Policy-based development finance instruments continue to be implemented). *NDRC Website*, February 17. https://www.ndrc.gov.cn/xwdt/ztzl/dtfzgz/202302/t20230217_1348929.html

Xinhua Silk Road Information Service (2020). *Guiding Principles on Financing the Development of the Belt and Road*. https://en.imsilkroad.com/p/314204.html (Accessed: 6 October 2021).

Xu, B. (2020). 81家央企在"一带一路"沿线承担超3400个项目 (81 Central SOEs participate in more than 3400 projects along the "Belt and Road"). *Financial News*, 15 January.

Xu, J., and Carey, R. (2015). Post-2015 global governance of Official Development Finance: Harnessing the renaissance of public entrepreneurship. *Journal of International Development*, 27: 856–880. https://doi.org/10.1002/jid.3120

Xu, J., Ren, X. and Wu, X. (2019). *全球开发性金融机构全景概览：内涵、理据和多样性 (A Comprehensive Overview of Global Development Finance Institutions: Concepts, Rationale, and Diversity)*, 新结构经济学发展融资研究报告第一期, (Research Report on Development Financing from the Perspective of New Structural Economics No. 1). *北京大学新结构经济学研究院 (Institute of New Structural Economics, Peking University)*. https://www.nse.pku.edu.cn/xzyj/kfxjr/xlbg_20201112143910911839/508204.htm

Xu, S. and Li, Y. (2017). 政策性银行用市场化方式支持"一带一路"共赢发展 (Policy banks support win-win development of the Belt and Road through market-oriented approaches). May 16. http://ydyl.china.com.cn/2017-05/16/content_40824284.htm

Yan, J. (2023). 洛阳钼业：包容发展，海外履责与业务成长共赢 (China Molybdenum Co., Ltd.: Embracing inclusive development, fulfilling overseas responsibilities, and achieving growth in business). *南方周末 (Southern Weekly)*, August 23. https://www.infzm.com/contents/255319

Yan, Lei (2017). 中国—中东欧银行联合体正式成立 共有14家成员行 (China–Central and Eastern Europe Banking Association officially established with 14 member banks). *经济参考报 (Economic Information Daily)*, November 29. https://www.yidaiyilu.gov.cn/p/37316.html

Yang, G. and Wang, X. (2018). 一带一路倡议的认识误区与理论探索 (Misconceptions and theoretical exploration of the Belt and Road Initiative). *中国海洋发展研究中心(Academy of Ocean of China)*. https://aoc.ouc.edu.cn/2018/0807/c9821a207563/page.psp

Yang, H., Simmons, B. A., Ray, R., Nolte, C., Gopal, S., Ma, Y., Ma, X., and Gallagher, K. P. (2021). Risks to global biodiversity and Indigenous lands from China's overseas development finance. *Nature Ecology & Evolution*, 5(11), 1520–1529. https://doi.org/10.1038/s41559-021-01541-w

Yang, Z. (2022). 多家银行表态下半年信贷投放要同比多增，基建成重点投放领域 (Several banks pledge that credit issuance in the second half of the year will increase year-on-year, with infrastructure as a key focus area). *21世纪经济报道 (21st Century Business Herald)*, September 5.

Ye, M. (2019) Fragmentation and mobilization: Domestic politics of the Belt and Road in China. *Journal of Contemporary China*, 28(119), 696–711. https://doi.org/10.1080/10670564.2019.1580428

Yu, Xiang (2022). 所谓"中国债务陷阱"纯属无稽之谈 (The so-called 'China Debt Trap' is pure nonsense)". *清华大学战略与安全研究中心 (Center for International Security and Strategy, Tsinghua University)*, August 6. https://ciss.tsinghua.edu.cn/info/zlyaq/5165

Yue, M., and Nedopil, C. (2025, February). China green finance status and trends 2024-2025. Griffith Asia Institute, Griffith University, & Green Finance & Development Center, FISF Fudan University. https://greenfdc.org/wp-content/uploads/2025/03/Yue-and-Nedopil-2025_China-green-finance-status-and-trends-2024-2025-final.pdf

Zajontz, T. (2021). Debt, distress, dispossession: towards a critical political economy of Africa's financial dependency. *Review of African Political Economy*, 49(171), 173–183. https://doi.org/10.1080/03056244.2021.1950669

Zeitz, A. O. (2021). Emulate or differentiate? Chinese development finance, competition, and World Bank infrastructure funding. *Review of International Organizations*, 16, 265–292. https://doi.org/10.1007/s11558-020-09377-y

Zhang, C., Zadek, S., Ning, C., Halle, M., Xian, Z., Liping, Z., et al. (2015). Greening China's financial system. *International Institute for Sustainable Development*. https://www.iisd.org/system/files/publications/greening-chinas-financial-system.pdf

Zhang, Chao (2021). 开发性金融更好支持"一带一路"国际产能合作境外产业园区建设问题研究——基于东南亚A国业务实践的案例 (Optimizing financial support for international production cooperation in the overseas industrial parks from the perspective of development finance——Based on case studies of the Southeast Asia industrial parksfFinanced by China Development Bank).*开发性金融研究 (Development Finance Research)*, 05: 62-73.

Zhang, D., Zhang, Y., Wang, Y., Wang, Q., and Ji, Q. (2023). 气候金融的学科内涵、中国实践与热点前沿研究 (Climate finance: Theoretical advancements, Chinese practice, and cutting-edge research). *管理科学学报 (Journal of Management Sciences in China)*, 08: 1-15.

Zhang, H. (2020). The aid-contracting nexus: the role of the international contracting industry in China's overseas development engagements. *China Perspectives*, 4: 17-25. https://doi.org/10.4000/chinaperspectives.11124

Zhang, H. and J. Li (2019). 中央企业社会责任信息披露质量需提升 (The quality of social responsibility disclosure by central enterprises needs improvement). *南方周末 (Southern Weekly)*, September 28. https://www.infzm.com/contents/160004?source=131

Zhang, M., Lu, X., Wang, Z. and Chen Y. (2024). 政策性开发性金融工具：理论基础、案例分析与政策对比 (Instruments of policy-based development finance: Theoretical basis, case analysis, and policy comparison). *学术研究* (*Academic Research*), 05: 96-106.

Zhang, Peng (2019). 开发性金融视角下的小微企业融资对策分析 (An analysis of micro and small enterprises' financing strategies from the perspective of developmental finance).*金融与经济 (Journal of Finance and Economics*), 09: 87-89.

Zhang, W. (2022). 开发性金融票据业务发展策略思考 (Strategic considerations for the development of developmental finance bill business). *开发性金融研究 (Development Finance Research)*, 01: 47-57.

Zhao, L. (2018). 一带一路要理性面对负面评价 (The Belt and Road Initiative should rationally address negative criticism). *人民画报 (China Pictorial)*, August 31. https://brgg.fudan.edu.cn/articleinfo_210.html

Zhao, Zhanhui (2022a). 以开发性金融助力高质量发展（财经观）(Using development finance to support high-quality development (Finance & Economics Viewpoint). *People's Daily*, April 18. http://paper.people.com.cn/rmrb/html/2022-04/18/nw.D110000renmrb_20220418_2-18.htm

Zhao, Zhanhui (2022b). 优化金融供给稳投资 (Optimize financial supply to stabilize investment). *People's Daily*, July 18. http://finance.people.com.cn/n1/2022/0718/c1004-32477571.html

Zheng, Y. (2017). 开发性金融服务国民经济发展初探 (Preliminary exploration of development finance serving national economic development). *市场周刊 (Market Weekly)*, 07:90-91.

Zou, L. (2015). *China's Rise: Development-Oriented Finance and Sustainable Development*. New Jersey: World Scientific Publishing Co Pte Ltd.