

China's Foreign Finance in New Phase: Boosting Investments in Green Belt and Road Initiative

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Abstract

Since 2000, the Chinese government made overseas expansion its national strategy, with the government taking the lead to boost support for related policies. China has maintained a high level of overseas investment for several decades, accelerating those related to the Green Belt and Road Initiative (Green BRI) in the past few years.

Since China suffered little impact from the global financial crisis, Chinese banks are enjoying increased international presence in recent years. They rank among the top in various global indicators. The Chinese banks are committed to further expand their international operations. Against the backdrop of investment opportunities created by free trade agreements (FTA), infrastructure investment and green financing in response to the Green BRI with the Asian Infrastructure Investment Bank (AIIB), and the resulting increase in RMB settlement operations, Chinese banks are expanding their overseas investment and financing businesses.

However, the rise of protectionism and the global COVID pandemic, Russia-Ukraine war may become headwinds of the overseas expansion in the financial industry. The early subsiding of the pandemic and the rebuilding of U.S.-China relations in international politics will be the key to the sustainable overseas expansion of Chinese banks.

In this session, she will classify China's recent overseas expansion policies, overseas investment promotion policies, and deregulation and summarizes the current situation of overseas expansion by Chinese banks. She will also review the acceleration of overseas expansion by FTAs and BRI (Green BRI) that has become prominent in recent years, and present an outlook on the future direction.

Keyword : Overseas investment, Chinese banks, go overseas, M&A, Green Belt and Road Initiative(Green BRI), RMB internationalization

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