

I . the Recent Progress of the AIIB

In October 2013, Chinese president Xi Jinping announced that China would initiate the AIIB to mobilize more resources to invest in Asia in terms of infrastructure financing. After that, the first batch of 22 regional prospective founding members signed the MOU on establishing the AIIB. Since then, the AIIB membership has expanded rapidly. As of mid-April 2015, the number of AIIB prospective founding members had added up to 57 countries, spanning five continents from Asia, Oceania, Europe, Latin America to Africa, hence the AIIB has achieved wide representation on a global scope. This year, five rounds of the chief negotiators' meeting have been held. The first one was in India, the second in Kazakhstan, the third in Beijing, the fourth in Singapore, the fifth meeting was just finished in Georgia in August.

The final text of the Articles of Agreement (AoA) of the AIIB was adopted on May 22, 2015 at the Singapore meeting. The AoA specified each member's share as well as the bank's governance structure and policy-making mechanism, etc. After that, On June 29, 2015, representatives of 57 founding countries gathered in Beijing to attend the signing ceremony at the Great Hall of the People, among which 50 countries signed the AoA. It was an important milestone for the AIIB. The signing of AOA will lay a solid foundation for the official

establishment and operation of the bank by the end of this year.

In addition, prospective founding members nominated their own candidates for the bank president before July, 31st. China has nominated Jin liqun, Secretary-general of the AIIB multilateral interim secretariat as its candidate for bank president. In the Georgia meeting last month, the chief negotiators from 54 of the 57 founding members of the AIIB unanimously agreed to name Jin Liqun, as the official candidate for the bank's president. And Jin needs to be re-confirmed by the Board of Governors at its inaugural meeting after the formal establishment of the AIIB. Moreover, on Aug. 21st, Malaysia became the 51st member country to sign the AoA.

Moreover, the bank would be legally valid if more than 10 founding members pass the agreement in their legislatures, and if they represent no less than 50 % of the total subscribed capital.

II. the role the AIIB can play in promoting sustainable growth in Asia

As a new multilateral development bank, the AIIB aims to help promote Asia's economic development. Underdeveloped infrastructure is a big challenge facing Asia, there is still huge demand for massive investment in Asia. The AIIB will mobilize more funds to support infrastructure

development and regional connectivity, so as to inject long-lasting momentum into the economic growth of Asia. It will be also beneficial to promote the better interaction among Asian countries. The AIIB's investment will be focused on the following key aspects. First is investing in country projects. The AIIB is mandated to updating and upgrading of Asian countries' infrastructure, especially for backward countries. The bank will create a favorable development environment for these countries by investing in the countries' railways, highways, telecommunications, electricity and other infrastructure projects, so as to promote the economic development within the nations and the entire region. Second is to increase the investment in multinational projects. In addition to investing in national projects, the AIIB will weight its investment in projects across countries, such as cross-border railways and highways. Third is to invest in inter-regional projects. The AIIB will not only invest in infrastructure projects within the Asian region, but will also take into account the related projects in neighboring areas. Increasing investment in regional and inter-regional infrastructure projects will create favorable conditions for sustainable economic development in Asia and other areas.