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for The 1st CSIS Global Dialogue & 25th PECC General Meeting  
on Jakarta, 7 May 2018

**Strengthen Cooperation along Belt & Road Region  
for Common Prosperity**

Good morning ladies and gentlemen. I'm pleasant to be invited to the 1<sup>st</sup> CSIS Global Dialogue and the 25<sup>th</sup> PECC General Meeting.

In recent years, with the deepening of global and regional cooperation, many countries and organizations have, on the basis of existing cooperation, forwarded and promoted new frameworks and concepts for cooperation on higher level and broader scope, for example the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP). The Chinese government has always been the advocator for and practitioner of international free trade and multilateral cooperation. While we promote the ASEAN 10+1 Cooperation and RCEP, we also launch the initiative to promote global and regional development by strengthen cooperation along the Belt & Road. Today, I would like to exchange my views with you on the positive effects the Belt & Road Initiative has on world and regional development, as well as the practice of CDB.

**1. The Increasing Impact of Belt & Road Initiative on World Economic Development**

The Belt & Road Initiative is a great proposition and plan forwarded by Chinese government in order to achieve global common prosperity and build a community of shared future for the mankind. In October 2017, the Communist Party of China (CPC) held the 19th National people's Congress, where they reiterated the policies and positions of actively promoting international cooperation along the Belt & Road region, and made clear their consistent willingness to build a world of lasting peace, universal security, common prosperity, openness, inclusiveness, cleanliness and beauty jointly with all parties. The Belt & Road Initiative has entered in to a new stage of with intensive implementation as it has been put into practical actions from ideas, and come into realities from envisions. The initiative has brought positive impacts to the development of world economy.

Firstly, the BRI will maximize our consensus on development and create new opportunities for common prosperity around the globe. BRI adheres to the principles of extensive consultation, joint contributions and shared benefits, and is dedicated to achieve economic integration, interconnected development and deliver benefits to all. Last year in May, the Belt & Road Forum for International Cooperation was successfully held in Beijing, where all parties have extensively exchange their respective development strategies, identified cooperation directions, put forward medium-to-long term cooperation initiatives and confirmed a number of major

cooperation initiatives. The Forum concluded with 76 major and over 270 detailed outcomes. So far, the BRI has been synergized with many envisions including the Eurasian Economic Union Initiative by Russia and the Master Plan on ASEAN Connectivity. More than 140 countries and 80 international organizations actively support and involve in the BRI, and Important resolutions passed by the UN General Assembly and Security Council contain reference to it. Therefore, BRI has become a way to build more consensuses on development and promote common prosperity.

Secondly, BRI prioritizes infrastructure connectivity, bringing new impetus to world economic development. China, in cooperation with relevant countries, has accelerated the building of Jakarta-Bandung High Speed Railway in Indonesia, China-Laos railway, Addis Ababa-Djibouti railway and Hungary-Serbia railway, and upgraded Gwadar and Piraeus ports. A large number of connectivity projects in land, air and sea and electricity and telecommunication sectors also achieved remarkable outcome. The construction of these projects generated much investment and employment and created more channels for domestic economic growth and international trade in respective countries. Next, all-dimensional, multi-tiered and composite connectivity networks will be set up, to pave the ways to carry out broader and more in-depth regional economic cooperation of higher standards, and further consolidate the foundation and engine for economic development.

Thirdly, BRI is oriented towards openness and cooperation, offering new engines for trade and investment expansion. With the advocacy of BRI, parties concerned are actively promoting trade and investment facilitation, strengthening international cooperation on production capacity and equipment manufacturing, intensifying orderly flow of production factors, efficient resources allocation and full market integration, as well as increasing trade and investment. During 2014 to 2016, China has reached total trade volume of over USD 3 trillion with countries along the Belt & Road region, and has invested over USD 50 billion in total to these countries. In the coming 5 years, China is estimated to import USD 2 trillion from countries along the Belt & Road region, with investment to them of over USD 150 billion.

## 2. CDB plays an important role in supporting BRI.

As the largest Chinese bank for foreign investment and financing cooperation, CDB gives its advantages into full play to support BR cooperation, by taking Policy coordination, Facilities connectivity, Unimpeded trade, Financial integration and People-to-people bond as drivers. By the end of 2017, CDB has committed over USD 250 billion to countries along the BR region, with total outstanding loans of over USD 110 billion, ranging from energy, mining, infrastructure, industrial parks, equipment manufacturing, agriculture and improving living standards etc.

One is to promoting policy coordination to advance planning and deepen cooperation between government and banks. CDB has been strengthening communication with governments in cooperating countries and has conducted master-planning cooperation with over 30 countries, providing consultation to economic and social development in our cooperating countries, fostering major

cooperation projects and consolidating cooperation intentions. Second is promoting infrastructure connectivity and supporting major infrastructure projects. We have been involved in the building of New Eurasian Continental Bridge, the China-Central and Western Asia Economic Corridor and the China-Indochina Peninsula Economic Corridor, and promoted major projects such as the China-Kazakhstan crude oil pipeline, The Central Asia-China gas pipeline and Jakarta-Bandung High Speed Railway etc. to improve the infrastructure network. Third is promoting unimpeded trade to boost international cooperation on production capacity and equipment exportation. Accommodating local advantages and resources, we have actively enhanced our cooperation with Indonesia and Kazakhstan in terms of production capacity and industrial parks. We supported our equipment of high speed train, electricity, telecommunication and automobiles, injecting new energy to international cooperation. Three is promoting unimpeded trade and by boosting investment and international cooperation on production capacity. CDB have been actively supported capacity cooperation and development of industrial parks between China and Indonesia, Kazakhstan, and other countries. CDB supports trade and investment cooperation on high-speed rail, electricity, telecommunications, and automotive equipment, and continuously unleashes the vitality of mutually beneficial cooperation. Four is promoting financial integration and strengthening multi-bilateral financial cooperation. CDB conduct extensive cooperation with the World Bank and other international financial institutions to continuously improve diversified investment and financing system. Five is promoting people-to-people bond and supporting the development of people's livelihood and cultural exchange. We work with cooperation countries to help develop the agriculture and forestry sectors and the business of small & medium size enterprises so as to increase local employment and people's livelihood. Meanwhile, we strengthen the cooperation regarding personnel exchange and training. We have provided CDB scholarship for over 250 outstanding young people from countries along the Belt and Road to study in China.

Indonesia is the largest economy in ASEAN with the fourth largest population in the world. It is also one of the emerging economies with the most rapid and stable economic development, therefore it is given the name of the treasured place for investment in the world. As an important member country in ASEAN, G20 and APEC, Indonesia plays a significant role in international and regional affairs. China and Indonesia have broad and intensive cooperation in infrastructure, production capacity, investment, and trade etc. CDB has committed USD 21.9 billion to 67 projects in Indonesia, with a total outstanding loans of USD 10.9 billion, ranging from electricity, telecommunication, manufacturing, metal smelting, agriculture, finance and infrastructure etc. These projects greatly promote the development in related sectors in Indonesia, helped created over 50,000 jobs for local people, exerting profound significance to deepen China-Indonesia bilateral cooperation and cooperation between China and ASEAN.

In the practice of supporting "Belt and Road" initiative, CDB adher to the concept of

green finance and green development and established a complete set of environmental and social impact assessment systems for international business, guiding enterprises to develop, build and operate projects in accordance with international ecological protection concepts and relevant laws and regulations to ensure that the economic, social and environmental benefits of related projects are maximized and sustainable development of regional economies is achieved.

3. Give the advantage of development finance into better play so as to provide better financial supports for cooperation under BR and other regions.

Next, CDB will focus on key sectors such as infrastructure connectivity and international cooperation on production capacity. We will also put efforts on financial innovation, including exploring a diversified investment mechanism with funds from government and private sectors such as PPP model. Moreover, we will further our cooperation with other financial institutions to form a diversified financing system, aiming at providing long-term, stable, sustainable financial supports with risks under control as well.

Ladies and gentlemen, the BRI is in line with the global trend, law of human development and interests of all peoples. Therefore, BRI has a promising future. I firmly believe that with joint efforts from all parties, the BR will make remarkable contributions to the growing international and regional cooperation, as well as the building of community of shared future for the mankind.

Thank you.