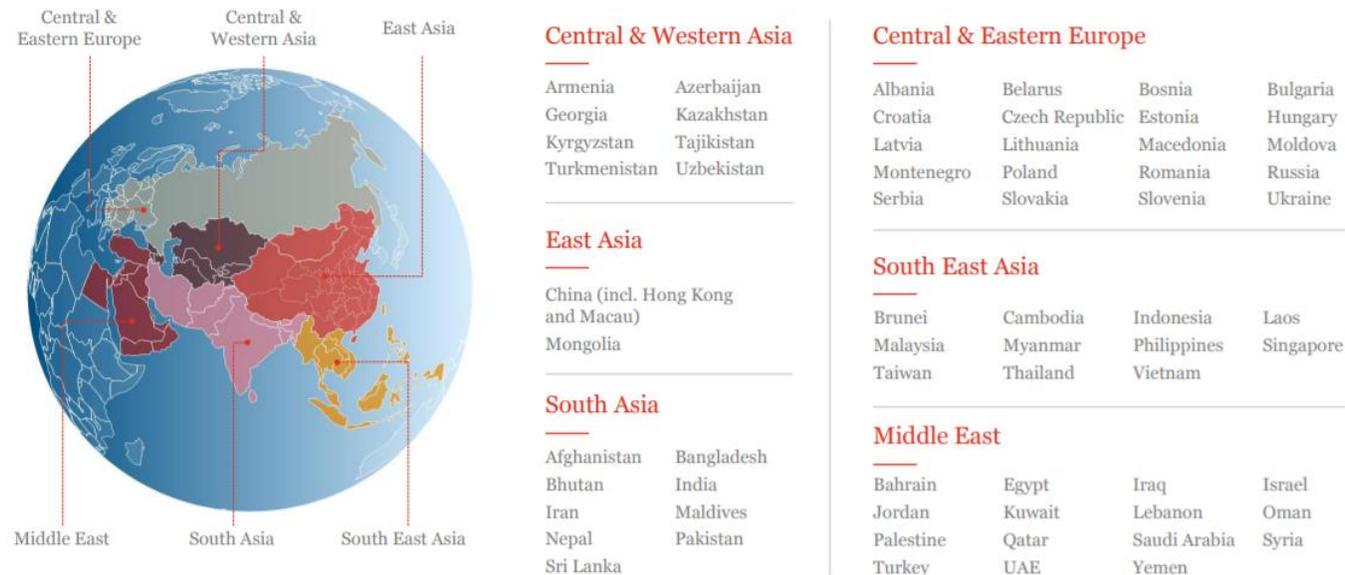


The Belt and Road – an introduction

The BRI refers to the Silk Road Economic Belt and 21st Century Maritime Silk Road

BRI was unveiled in **2013** to promote economic cooperation among countries along the Belt and Road routes, and aims to strengthen global trade links across the world – **in particular between Asia, Africa and Europe.**

The initiative focuses on **infrastructure investment, education, public transport, real estate and import/export.**



The Belt and Road – How big is it really?

China's ambitious Belt and Road Initiative will cover **69 countries** which makes up 62 per cent of the world's population and 40 per cent of global GDP.

BRI will build on ancient trade routes from China through Central Asia by rail and to Africa and beyond by sea.

It is estimated that China's investment in B&R countries will **increase by 14% annually over the next two years**, and the total investment amount could double to \$1.2-1.3 trillion by 2027.

By 2050, the Belt and Road region could contribute **80% of global GDP growth**.

The Belt and Road Initiative



Combined population of all countries involved in BRI



BRI touches 62 percent of the world's population



Combined GDP of all countries involved



Trade between China and BRI countries between 2014-2016



The less developed BRI partners have an average yearly income of \$6,312.

\$26 trillion

Estimated cost of infrastructure needs

\$1 trillion

Amount China has pledged

The estimated cost of infrastructure needs in the developing parts of the Asia-Pacific through 2030 is \$26 trillion. China has pledged \$1 trillion.

Infrastructure Investment along Belt and Road

- 80 % of BRI Investment goes to **infrastructure projects** in developing economies

- China's infrastructure-based development strategy has resulted in **engineering and construction expertise** together with a wide range of modern reference projects.

- BRI is expected to address an “**infrastructure gap**”, where in Asia requires up to **US\$ 900 billion** of investment every year .

- **Financial markets** play a key role in filling the gap of long-term capital provision

Reviving the Silk Road

Announced by Chinese President Xi Jinping in 2013, the Silk Road initiative, also known as China's Belt and Road initiative, aims to invest in infrastructure projects including railways and power grids in central, west and southern Asia, as well as Africa and Europe.



What is the role of global financial institutions in BRI?

Financing: Global financial institutions, especially banks offer tailor-made financing for their client's involved in Belt and Road projects. These products include **project and export** finance, **mergers and acquisitions** financing, **loan** syndication, **debt capital** and financial markets products, **trade** and cash management.

Currency/Treasury service: Global financial institutions provide their customers with **access to the RMB** market and other currencies worldwide. The FIs can help clients choose the best ways to make the most of their liquidity to manage large-scale, trans-national infrastructure projects linked to Belt and Road.

Industry and local market expertise – consultancy: Most BRI projects require cross-industry expertise in industries such as energy, telecommunications, automotive, manufacturing and many more. Therefore, **local knowledge** across many different industries combined with a good global reach offered by global financial institutions is key to the success of BRI investment.

RMB as a reserve currency – increasing demand for RMB accounts for corporations