

 Early Warning System

NDB-CHINACOVID

Emergency Program for Supporting China's Economic Recovery from
COVID-19



Quick Facts

Countries	China
Financial Institutions	New Development Bank (NDB)
Status	Completed
Bank Risk Rating	B
Voting Date	2021-02-26
Borrower	Government of China
Sectors	Education and Health, Humanitarian Response
Investment Type(s)	Loan
Investment Amount (USD)	\$ 1,080.43 million
Loan Amount (USD)	\$ 1,080.43 million
Project Cost (USD)	\$ 3,503.68 million



Project Description

As stated by the NDB, based on the stage of economic recovery in China at that time, the Program has supported China's urgent need to restore production and create jobs. To reinforce the efforts and achievements made by the Government, it has also extended support to sustainable development of China's economy over the long term. The loan proceeds were utilized for projects in the sectors directly hit by the COVID-19 pandemic such as trade, logistics, agriculture, health, labor intensive infrastructure sectors, as well as innovative and hightech infrastructure promoted by the Chinese Government to sustain recovery, and to support sustainable development.

The Loan is to support the Government's priorities for economic recovery efforts in response to COVID-19. The intervention aimed to: i) support restoration of production capacity in key sectors adversely affected by the pandemic; and ii) reinforce early economic recovery, including through further infrastructure development to continuously enhance economic growth and employment.

Through supporting the Government's prioritized sectors, the Program has contributed to mitigating the adverse impacts of COVID-19 on Chinese economy. More specifically, the Program has helped in reviving economic activities and resuming productivity in the key sectors, and consequently generate employment opportunities in the near term. In addition to supporting China's urgent needs for the economic recovery, the Program has also helped to achieve sustainable economic development over the medium- to longer-term and contribute to full restoration and further development of supply chains, as well as development of important "21st century infrastructures" (New Infrastructure Initiative).

Export-Import Bank of China (EximBank) and the Agricultural Development Bank of China (ADBC) were the Implementing Agencies (IAs) for the Program. The Loan was provided to Ministry of Finance, which was then on-lend to EximBank and ADBC. The two banks, in turn, have used the loan proceeds to provide loans to projects in the eligible sectors. The IAs have taken overall responsibility for the Program's implementation, ensuring timely disbursement and strict compliance of the use of the funds. The implementation arrangement maximized the envisaged impacts of the Program through on-lending by the leading development banks in China.



Investment Description

- New Development Bank (NDB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Agricultural Development Bank of China \(ADBC\)](#) (Financial Intermediary)
- [China EXIM Bank \(Export-Import Bank of China\)](#) (Financial Intermediary)



Private Actors Description

As stated by Bloomberg, The Export-Import Bank of China operates as a government development bank. The Company provides loans, guarantee, settlement, deposits, financial consultancy, and other bank related services for import and export enterprises. The Export-Import Bank of China offers services worldwide.

Agricultural Development Bank of China provides banking services. The Company offers deposits, poverty alleviation loans, agricultural loans, financing, and other services. Agricultural Development Bank of China offers services for agriculture, infrastructure construction, water conservancy, and other public fields.



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No contacts provided at the time of disclosure.

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ACCESS TO INFORMATION

You can submit an information request for project information through a form at the bottom of the following webpage <https://www.ndb.int/about-us/contact-us/>. Alternatively, you can send an e-mail to info@ndb.int.

ACCOUNTABILITY MECHANISM OF NEW DEVELOPMENT BANK

The New Development Bank (NDB) does not currently have an independent accountability mechanism to accept complaints related to NDB-financed projects. The Bank does have a whistleblower mechanism that receives complaints about misconduct related to corruption, fraudulent practices and instances of money laundering in projects financed by the NDB and/or against the NDB staff members. To learn more about the whistleblower mechanism and how to file a complaint, access this webpage at: <https://www.ndb.int/about-us/whistleblowing/>.



Bank Documents

- [Project Summary](#)



Other Related Projects

- NDB-SOUTHAFRICACOVID Emergency Program for Supporting South Africa's Economic Recovery from COVID-19
- NDB-INDIACOVID Emergency Program for Supporting India's Economic Recovery from COVID-19
- NDB-BRAZILCOVID Emergency Program for Supporting Brazil's Economic Recovery from COVID-19
- NDB-RUSSIACOVID Emergency Program for Supporting Russia's Response to COVID-19