

An aerial night view of a city skyline. A prominent skyscraper with a cylindrical top and a grid-like facade is illuminated in blue. The rest of the city is lit up with various colors, and a body of water is visible in the foreground.

# The Establishment of Northeast Asia Bank

**Xiaoyan Zhang**

**Tianjin Development and Reform Commission**

**August, 2011**

# outline

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## ◆ Part 1 : latest research result of establishment

- 1、 main function of the Northeast Asia Bank (NAB)
- 2、 main business of the NAB
- 3、 main contributor of NAB
- 4、 contribution limit of the NAB

## ◆ Part 2 : work to promote Chinese government policies

- 1、 experts discussion, research report, reference for government
- 2、 communication and report to the central government
- 3、 “Joint Bill” of setting up Northeast Asia Cooperation and Development Bank
- 4、 promote consensus on nature of NAB

## ◆ Recommendation

discuss the establishment of NAB in the 5<sup>th</sup> China, Japan, Korean  
leader meeting

# Tianjin's promotion in establishing NAB

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## Part 1 :

### latest research result of establishing Northeast Asia Bank

# Main function of the Northeast Asia Bank

Latest research result

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- ◆ Northeast Asia Bank should be considered as the sub-regional multilateral development banks, which is in accordance with the opinions from the Chinese, Japanese, Korean, Russian, Mongolian and American scholars.

“Sub-region” :                    locating in the Northeast Asia

“Multilateral” :                mainly include the Northeast Asian members

“Development Bank” : integrated development model, partially enjoys the sovereign (or state) credit, and enforces infrastructure and public projects construction under the commercial patterns.

# Main business of the Northeast Asia Bank

Latest research result

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## ◆ Main business:

1. Financing for infrastructure projects
2. Providing financial support for other industries or projects
3. Multiple roles in cooperation with financial institutions.

## ◆ Initial four businesses :

- 1、 financing infrastructure, e.g energy & transportation
- 2、 financing the regional economic construction & project
- 3、 financing environment protection & energy saving
- 4、 financing for sustainable economic development

# Main contributor of Northeast Asia Bank

Latest research result

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## ◆ International tradition :

sponsor of regional and sub-regional development financial institutions must be sovereign state.

we recommend the donor country chooses its state-owned financial institution as the specific Northeast Asia Bank shareholder according to three conditions following: the backgrounds of government

## ◆ Similar process of establishing Americas Andean Development Bank and Central American Bank of Economic Integration

6th Northeast Asia Economic forum: agreement on the feasibility of the policy financial institution capital contribution.

# Contribution limit of the Northeast Asia Bank

Latest research result

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◆ According to experience of Asian Development Bank :

we suggest the initial capital of Northeast Asia Bank be 40 billion dollars, including paid-in capital and unpaid capital.

On the basis of fixed proportion of the Asian Development Bank, paid-in capital should take 7% of the total share capital and its amount in Northeast Asia Bank is no more than 3 billion dollars.

◆ About other experts:

Professor Junlu Ma, will provide an explanation in the following statement.

# Tianjin's promotion in establishing NAB

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## Part 2 : work to promote government policies



# Experts discussion, Research report, Reference for government

work to promote  
government policies

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- ◆ Professor Zhenghua Jiang, being as Vice Chairman of National People's Congress(NPC), honorary chairman of the research center for Northeast Asia financial cooperation, has organized some well-known financial experts and bankers to discuss the issue of establishing Northeast Asia Bank, trying to appeal to the relevant government departments and providing advice to them.

# Communication and report to the central government

work to promote  
government policies

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- ◆ Tianjin's vice mayor in charge of financial work has conducted to communicate the issue of setting up a bank in Northeast Asia many times with the People's Bank of China , the Ministry of Finance, Ministry of Foreign Affairs and other department leaders, in order to obtain understanding and support.

# “Joint Bill” of setting up Northeast Asia Cooperation and Development Bank

work to promote  
government policies

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- ◆ Requesting Deputies to Tianjin’s people’s congress submit the “Joint Bill” of setting up Northeast Asia Cooperation and Development Bank, and also seek support from the Ministry of Finance, People's Bank of China such State Council departments.

# Promote consensus on nature of Northeast Asia Bank

work to promote  
government policies

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- ◆ To promote the inter-ministerial coordination meeting to form a consensus of the nature of Northeast Asia Bank , which is attended by related officers from People's Bank of China, Ministry of Finance, Ministry of Foreign Affairs and China Banking Regulatory Commission official .

# Tianjin's promotion in establishing Northeast Asia Bank

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## Working recommendation

# Recommendation

recommendation

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- ◆ The banking problems in Northeast Asia should be set up as an agenda and submitted to leaders for further study in the 5<sup>th</sup> Japan and South Korea leaders meeting next year.

Thank you !

