

Asian Infrastructure Investment Bank:
financing big projects
from Asia to Europe

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Introduction

The Asian Infrastructure Investment Bank (AIIB)'s mission is to improve social and economic development in Asia by investing in infrastructure and other productive sectors. In that perspective, one of its main initial purpose, was to help financing and realizing the centerpiece of Chinese foreign economic policy: "One Belt, One Road" (OBOR) initiative. As AIIB membership grew to include European and other advanced economies, Chinese officials distanced the AIIB from China's OBOR initiative. However, though not the exclusive AIIB's objective, the OBOR initiative remains one of the main recipient of AIIB's financing. In fact, the AIIB's approved projects largely overlap with the geographic area of the OBOR initiative. Many initial projects are part of the China-Pakistan Economic Corridor, a central component of OBOR.

Though China, with a share of almost 30% of AIIB's capital, is the leading country of the institution, AIIB also has "non-regional members," such as the United Kingdom, Germany, France and Italy which can play a part in AIIB's projects. Therefore, AIIB's membership is an opportunity of growth for these countries.

This paper analysis AIIB's structure (objectives, membership, governance), its financial tools, and the role of Italy in AIIB's membership. The chapter ends with an interview with Laurel Ostfield, Head of Communications and Development at AIIB.

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