

**Speech of Mr. Jin Penghui, Executive Vice President of
People's Bank of China Shanghai Head Office at InterAmerican
Development Bank's "Green Panda Bond Guide Launch"**

Respected Colleagues from IDB and CBI,

Respected Investors from China,

Distinguished Guests,

Ladies and Gentlemen, Dear Friends,

Good morning! First of all, I'd like to extend warm welcome to IDB for choosing PBC Shanghai Head Office to host Green Panda Bond Guide Launch Ceremony. On behalf of PBC Shanghai Head Office, I'd like to express my sincere gratitude to IDB for your trust and to our guests for your presence. I wish the launch a complete success. Here I would like to make four points.

First, the Chinese government and the PBC have always attached great importance to the cooperation with IDB and other regional financial institutions. Following IFC and ADB, the launch of this guide by IDB demonstrates the recognition of Chinese bond market by international

multilateral organizations and the efforts of China to fulfill the commitment of financial market opening up. IDB is the world's oldest and largest regional intergovernmental development institution, and it has approved around 11 billion US dollar loans annually for major industries in Latin America, such as infrastructure, energy, water supply, education and health care, playing a remarkable role in improving the well-beings of Latin Americans. The PBC is willing to join in the efforts of IDB in upgrading infrastructure in Latin America, and elevating the living standards of its people. In recent years, China's share of IIC, IDB's institution for private sectors, has increased notably, making China the second largest non-borrower shareholder after the United States. In this sense, the launch of Green Panda Bond Guide is not only a financial cooperation for IDB, but also a trip back home. As China ranks the first in the world for bamboo species, we are confident whatever taste this "Panda" favors, we will have the right cuisine for it.

Second, Chinese bond market is currently in the stage of steady development. By the end of October 2018, Chinese bond market had exceeded RMB 80 trillion. According to the statistics of the Bank for International Settlements (BIS), the Chinese bond market ranked third in volume in global bond markets, and has attracted more than 1,000 overseas institutional investors. The size of Chinese bond held by overseas investors

has now exceeded 1.7 trillion yuan. In the next stage, we will continue to deepen the reform and opening up of Chinese bond market, and work together with professionals at home and abroad to build, develop and reform it.

Third, as China is now vigorously promoting green development, the Green Bond embraces a rapid development. The first Green Bond was issued in 2015. Although young, the Green Bond shows strong development momentum. By the end of September 2018, China's total green bond issuance had reached 143.3 billion yuan. The PBC implemented the institutional arrangements for promoting ecological civilization and developing green finance put forward in the 19th National Congress, and issued a series of policies to regulate and guide the Green Bond market. This is in line with the concept of green development emphasized by Chinese President Xi Jinping, showing China's willingness to make due contribution in protecting global environment and resources.

Finally, as we all know, the issuance of Panda Bond is an important element for the opening-up of China's bond market. Since its birth, Panda Bond has been an important tool for cross-border use of Renminbi. As of October 31 this year, Panda Bond issuance totaled 77.89 billion yuan. In recent years,

in order to further open up the inter-bank bond market, regulate Panda Bond issuance and protect the legitimate rights and interests of investors, the PBC has made great efforts in external cooperation and institutional regulation, striving to create a sound environment for more and better Panda Bond to come.

As a regional financial center, Shanghai has always been the locomotive of China's financial reform and opening-up. I sincerely hope all the participants joining us today will benefit from this event! At the same time, I also wish IDB Green Panda Bond will soon grow and bloom in Shanghai. With the further opening-up of China's financial market and the continuous development of Shanghai as a financial harbour, we hope in the future there will be more innovative tools in addition to Panda Bond to promote the financial cooperation between China and Latin America. Thank you very much.