The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russia Becomes 3rd-Biggest Shareholder in China-Led Development Bank

By The Moscow Times

June 29, 2015



Russia's delegate prepares to sign the articles of agreement of the Asian Infrastructure Investment Bank (AIIB) at the Great Hall of the People, in Beijing, June 29, 2015.

Russia on Monday became the third-largest shareholder in the Asian Infrastructure Investment Bank (AIIB), a new China-led development bank on course to rival long-established institutions like the World Bank and Asian Development Bank.

Representatives of 57 countries took part in a signing ceremony for the $100 billion bank in Beijing on Monday.

China, India and Russia are the bank's three biggest shareholders, with 30.34 percent, 8.52 percent and 6.66 percent stakes, respectively, China's state-run Xinhua news agency reported.

China has the largest voting share — 20.06 percent — followed by India with a 7.5 percent share and Russia with 5.92 percent, the report said.

Russia's prominent position in the bank comes as Moscow boosts diplomatic and economic ties with Asia amid a confrontation with the West over the crisis in Ukraine. Russia has also promoted efforts to build partnerships outside the group of multilateral lenders established with U.S. backing after World War II, which includes the World Bank, International Monetary Fund and Asian Development Bank.

The United States, along with Japan, opted not to join the AIIB.

Despite opposition from Washington, China succeeded in luring prominent U.S. allies such as Britain, Germany, Australia and South Korea into the bank. Germany and South Korea will be the AIIB's fourth- and fifth-largest shareholders.

China's 26.06 percent share will give it veto power over some AIIB decisions that require three-quarters of the bank's votes for approval, according to the Bloomberg news agency.

Original url:
https://www.themoscowtimes.com/2015/06/29/russia-becomes-3rd-biggest-shareholder-in-china-led-development-bank-a47741