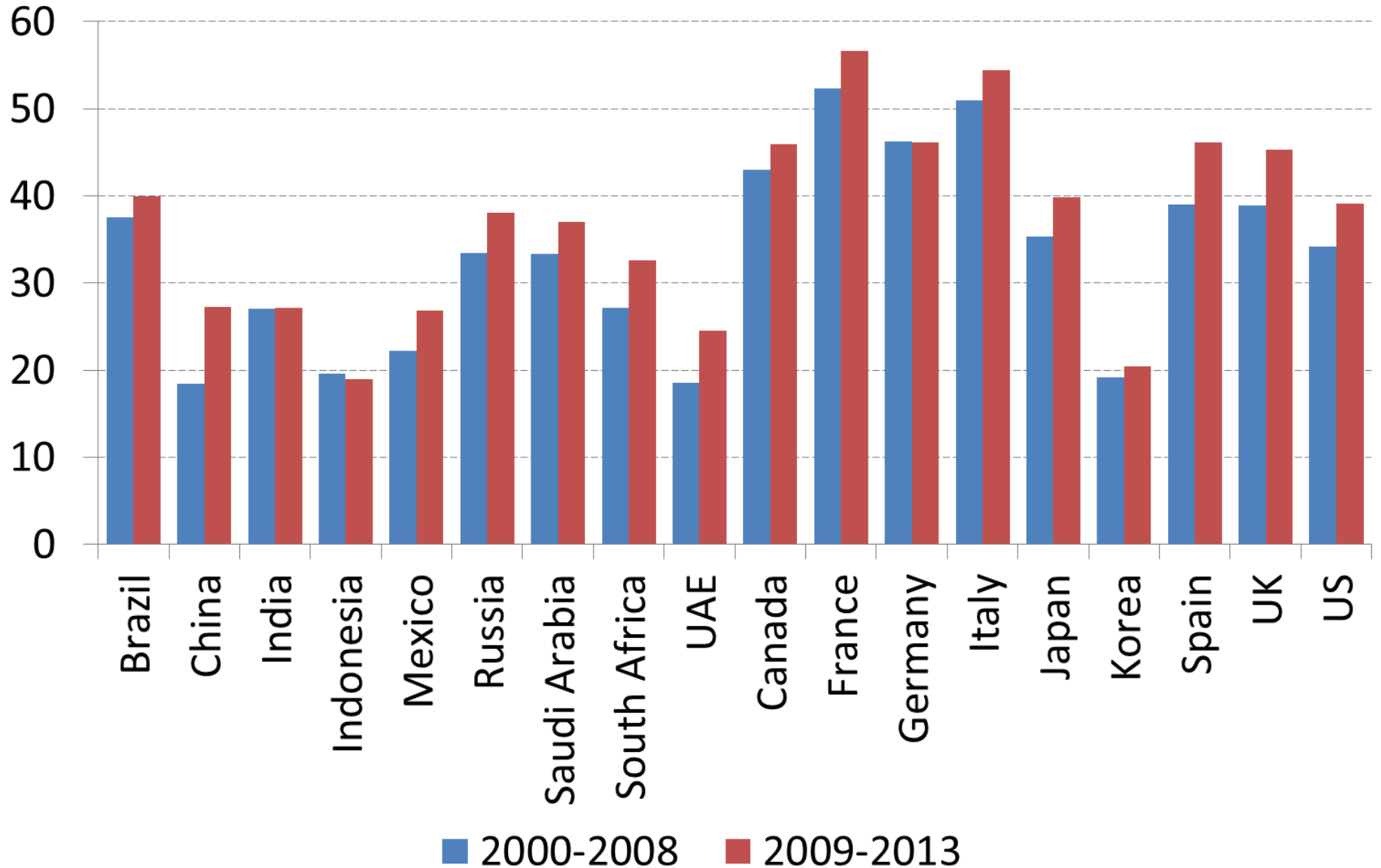


Development Finance and the New Development Bank

Alexandra Morozkina
National Research University HSE

Public expenditures, 2000-2013, % to GDP



Source: IMF

Purposes of the key MDBs

New Development Bank	Mobilization of resources for infrastructure and sustainable development projects in BRICS and other emerging market economies and developing countries
EBRD	Fostering the transition towards open market-oriented economies and to promote private and entrepreneurial initiative in the Central and Eastern European countries
African, Asian, Inter-American development Banks	Fostering economic growth and co-operation in the region of activities and contributing to the acceleration of the process of economic development of the developing member countries in the region

Infrastructure development

	Overall infr.	Quality of roads	Railroad infr.	Port infr.	Air transport infr.	Quality of electricity supply
Brazil	3.4	2.8	1.8	2.7	3.3	4.8
China	4.3	4.5	4.7	4.5	4.5	5.1
India	3.9	3.6	4.8	4.2	4.8	3.2
Russia	3.8	2.5	4.2	3.9	3.9	4.5
South Africa	4.5	4.9	3.4	4.7	6.1	3.8
UK	5.4	5.3	5.0	5.7	5.6	6.7
Germany	6.2	6.0	5.7	5.8	6.1	6.1
US	5.7	5.7	4.9	5.7	5.9	6.2
South Korea	5.6	5.8	5.7	5.5	5.8	5.7
Japan	6.0	6.0	6.7	5.2	5.4	6.0

Source: The Global Competitiveness Report 2013-2014

Telecommunications infrastructure, per 100 people

	Fixed broadband Internet subscribers	Internet users	Mobile cellular subscriptions	Telephone lines
Brazil	9.2	50	125	22
India	1.2	13	70	3
South Africa	2.1	41	131	8
China	12.7	42	81	20
Russia	14.5	53	183	30
UK	34.0	87	135	53
Germany	33.7	84	112	61
US	28.3	81	95	44
South Korea	37.2	84	109	61
Japan	27.7	79	111	51

Source: World Bank

Air and railroad transport infrastructure

	Air transport freight (bln ton-km)	Air transport, pass. carried, mln	Airline seat, bln km/week	Rail lines (th. km)	Railways, goods (bln ton-km)	Railways pass. carried (bln pass.-km)
Brazil	1.4	94.6	3.8	29.8	268	-
India	1.7	70.5	3.3	64.5	626	978.5
South Africa	1.2	17.1	1.1	20.5	113	18.9
China	15.7	318.5	12.7	66.3	2 518	795.6
Russia	4.1	58.7	3.3	84.2	2 222	144.6
UK	6.3	115.0	6.3	16.4	-	64.3
Germany	7.2	110.6	4.7	33.5	106	80.2
US	39.1	736.6	32.9	228.2	2 525	9.5
South Korea	12.3	40.0	2.2	3.7	10	21.6
Japan	7.0	98.9	5.4	20.1	20	244.6

Autos and roads

	Pass. cars (per 1,000 people)	Road density (km per 100 sq. km)	Roads, goods (bln ton-km)	Roads, pass. (bln pass.-km)	Roads, paved (% of total roads)	Roads, total (mln km)	Vehicles (per km of road)
Brazil	-	18.6	-	-	14	1.6	-
India	-	142.7	-	-	54	4.7	-
South Africa	112	30	-	-	17	0.4	16
China	54	42.8	5 137	5.14	64	4.1	23
Russia	254	6.4	248	0.25	78	1.1	46
UK	454	172.3	153	0.15	100	0.4	77
Germany	531	180.2	469	0.47	-	0.6	75
US	403	66.7	-	-	-	6.6	37
South Korea	284	106.0	-	-	80	0.1	174
Japan	455	89.7	-	-	-	0.3	222

Breakdown of key MDBs' loans by industries

2013,%

	AsDB	AfDB	WB	EBRD	IADB
Agriculture and natural resources	5.0	12.3	6.9	16.0	4.2
Education	3.7	5.2	8.9	-	5.4
Energy	26.8	16.0	7.5	21.0	3.8
Finance	14.2	8.1	6.7	28.0	14.9
Healthcare and social protection	2.6	4.2	14.3	-	16.4
Industry and trade	0.3	0.0	4.7	15.0	8.8
Public management	5.7	-	26.2	-	16.7
Transport and communications	24.5	33.2	17.6	20.0	20.2
Water supply and other municipal services	9.1	8.4	7.3	-	9.5
Multisector	8.0	12.6	-	-	-
Total	100	100	100	100	100

Source: Annual reports

Breakdown of key NDBs' loans by industries

2013,%

	ExImBank	CDB	SADB	BNDES	VEB
Agriculture and natural resources	17.7	2.8	-	8.9	6.1
Education, healthcare and social protection	-	0.6	14.4	-	1.1
Energy	26.7	17.9	31.0	7.9	7.3
Finance	-	29.1	-	-	18.8
Industry and trade	-	1.5	-	54.2	28.9
Construction and housing	38.9	6.1	4.9	1.2	22.7
Transport and communications	12.3	27.3	40.9	26.4	12.8
Water supply and other municipal services	-	14.8	8.8	1.3	0.0
Multisector	4.4	-	0.03	-	2.3
Total	100	100	100	100	100

Source: Annual reports

Key industries that BRICS countries want to promote

- Infrastructure (high speed trains; aviation; port infrastructure; urban transport)
- Financial Services (joint finance; promoting NDB)
- Energy and Green Economy (hydro power; R&D in nuclear safety; biofuels development)
- Skills Development (cooperation between training schools; design of training labs)
- Manufacturing (value-added manufacturing projects; partnership in upstream oil&gas; agro-processing; electronics products; automotive; high technology partnerships and technology transfer)

Thank You!