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China Primer: China's Global Development Initiative

Shifts in the U.S. approach to foreign assistance under the Trump Administration have prompted increased interest from Congress in the People's Republic of China's (PRC's, or China's) overseas development activity. Per AidData, a nonprofit U.S.-based research group, between 2013 and 2021 PRC-based institutions made total development financing commitments of about $794 billion. Since late 2021, the PRC has engaged in international development through its Global Development Initiative (GDI), for which Beijing has so far pledged at least $11 billion. Some Members have expressed concern that the PRC could leverage development activities—such as those conducted under the GDI—to expand its influence in developing countries and enhance its strategic position.

The GDI is the first of several "global initiatives" China has launched since 2021. Others include the Global Security Initiative (2022) and the Global Civilization Initiative (2023). Overseas and PRC observers view these initiatives as aiming to further China's vision for global governance.

Background

The PRC has engaged in what it now calls "international development cooperation" to varying degrees for decades. This development cooperation includes foreign assistance grants and loans that meet the standards for what the Organisation for Economic Co-operation and Development (OECD) categorizes as "official development assistance" (ODA). China's development cooperation also includes economic development programs that would not be considered ODA, such as the Belt and Road Initiative (BRI), which aims to develop China-centered—and controlled—global infrastructure, transportation, trade, and production networks. (See CRS In Focus IF11735, *China's "One Belt, One Road" Initiative: Economic Issues*.)

Since the 2000s, the foreign assistance component of PRC development cooperation has consisted of development finance- and grant-supported projects. Between 2013 and 2018, loans accounted for approximately $22.1 billion (53%) of that assistance by value, with the remaining $19.8 billion comprised of grants, per the PRC's latest (2021) development cooperation white paper. (Comparatively, the United States obligated an estimated $48 billion in foreign assistance from all sources in FY2018 alone. See CRS In Focus IF10183, *U.S. Foreign Assistance*.)

Objectives and Approach

Launched by China's leader Xi Jinping during a virtual address at the United Nations (UN) General Assembly in September 2021, the GDI calls on the international community to commit to "development as a priority." It sponsors development projects in eight focus areas (see **Textbox**). It officially aims to accelerate the enactment of the UN 2030 Agenda for Sustainable Development, a common vision for global development adopted by all UN member states in 2015, as well as the realization of the agenda's 17 Sustainable Development Goals (SDGs), such as the elimination of poverty and hunger. In 2025, the Trump Administration stated that the 2030 Agenda and the SDGs are "inconsistent with U.S. sovereignty and adverse to the rights and interests of Americans."

Eight Focus Areas of the GDI:

(with example projects in parenthesis)

1. Poverty Alleviation *(e.g., fertilizer distribution)*
2. Food Security *(e.g., emergency food assistance)*
3. COVID-19 and Vaccines *(e.g., PPE distribution)*
4. Financing for Development *(e.g., facilitation of SME loans)*
5. Climate Change and Green Development *(e.g., solar projects)*
6. Industrialization (*e.g., supporting the coordination and implementation of some UN country programs)*
7. Digital Economy *(e.g., transfer of communications equipment)*
8. Connectivity (*e.g., tablet computer distribution*)

Source: Global Development Policy Center, China International Development Cooperation Agency, accessed in August 2025.

Some analysts have referred to the GDI as a "successor" to, or "replacement" for, the BRI. Although the decline in PRC overseas development finance over the last decade suggests a turn away from the model of cooperation fostered by the BRI, PRC institutions still provide development finance for overseas projects, including those under the BRI and GDI. The BRI and GDI coexist in PRC official discourse. Among other things, the GDI calls to advance human rights "through development." Some foreign analysts assert that such rhetoric prioritizes economic development over civil and political freedoms.

Implementation

The PRC claims it has sponsored over 400 material assistance and technical programs and nearly 700 human development projects under the GDI as of August 2025. Recipient countries span six continents and varying levels of socioeconomic development, including Cambodia, Eritrea, Peru, Singapore, and Syria. Asia and Africa each account for one third of the initiative's projects, which range from the construction of school buildings in Laos to workshops on exporting to China for African countries.

China's foreign assistance agency, the China International Development Cooperation Agency (CIDCA), and Ministry of Finance are the primary agencies responsible for the implementation of the GDI. CIDCA maintains a Global

Development Project Pool of "key projects supported by CIDCA under the GDI" and manages a Global Development Capital Pool to support project pool implementation. PRC-based entities, foreign governments and nongovernment organizations, and international organizations can contribute to either pool.

The PRC has made various pledges of financial support for implementation of the GDI, including

- $1 billion to "upgrade" its $3 billion South-South Cooperation Assistance Fund (2015) into a Global Development and South-South Cooperation Fund;
- a new $10 billion fund to support GDI projects; and
- unspecified increased support to the UN Peace and Development Trust Fund, which China helped start with a commitment of $200 million in 2020.

The GDI and the United Nations

From the outset, China has sought to embed the GDI within the United Nations, likely in order to boost the initiative's external legitimacy and uptake by other countries. Four months after Xi announced the initiative at the UN General Assembly in January 2022, China's Permanent Mission to the United Nations launched a "Group of Friends of the GDI" to "seek greater complementarity between the GDI and the 2030 Agenda, support [the] UN's work in the field of development, and help developing countries fight the [COVID-19] pandemic and implement the 2030 Agenda."

In 2024, China's permanent representative to the United Nations referred to the Group of Friends as "the main platform for GDI cooperation at the UN," noting that the group "has held a number of high-level meetings and made joint statements on major occasions at the UN." According to PRC state media, the Group of Friends comprises "[m]ore than 80 countries," and several international organizations. Several UN entities, including the UN Development Programme (UNDP) and UN Industrial Development Organization (UNIDO), have participated in the execution of GDI projects. Individual GDI projects are explicitly associated with one or several of the UN SDGs.

U.S. Assessments and Response

Some U.S. officials and policymakers have expressed concern about the GDI and other PRC development initiatives, noting that they could help the PRC improve its image and increase its leverage in developing countries. A 2024 report by the Office of the Director for National Intelligence identified the GDI as one of several initiatives through which China seeks to "expand its influence abroad and be viewed as a champion of global development."

Under the first Trump Administration, the U.S. Agency for International Development (USAID) adopted a "whole-of-agency" Clear Choice Framework "to demonstrate to partner countries the clear contrasts between China's malign approach to development and the transparent, private sector-led U.S. approach to development." Since 2019, the United States also has sought to address PRC influence abroad through a Countering PRC Influence Fund first established by P.L. 116-94.

The second Trump Administration has not publicly addressed the GDI. On July 1, 2025, U.S. Secretary of State Marco Rubio announced the closure of USAID and the reassignment of "programs that align with administration policies" to the State Department. This new model, he stated, "will place [the United States] in a stronger position to counter China's exploitative aid model and further our strategic interests in key regions around the world."

The State Department's FY2026 budget request states that the Administration seeks to employ the U.S. International Development Finance Corporation (DFC) as "a cost-effective approach to make a significant strategic impact and counter China and other strategic competitors' influence around the world." Established during the 115th Congress by the BUILD Act of 2018 (Div. F of P.L. 115-254), the DFC is a government agency that uses financial tools to promote private investment in less-developed countries. (For more, see CRS In Focus IF11436, *U.S. International Development Finance Corporation (DFC)*.)

Issues Facing Congress

Congress may consider whether, and to what extent, China's international development cooperation programs, including those conducted under the GDI, may be influencing perceptions of China in partner countries, especially in relation to the United States. In doing so, Congress may assess whether, and if so, how, the restructuring of U.S. foreign aid programs affects China's overseas development activities. Some Members of Congress have expressed concern that China and other countries may "fill the void" left by discontinued U.S. foreign assistance and development programs. Congress may also consider whether, and to what extent, GDI programs confer strategic advantages to China in specific regions. Members of Congress have introduced legislation intended to counter PRC development activities. In the 118th Congress, Section 173 of the RESOLVE Act of 2024 (S. 5491) would have authorized the Secretary of State and "other relevant agency heads" to "co-finance, or provide joint support for, infrastructure projects that advance the development of the United States overseas and provide viable alternatives to projects that would otherwise be included" within the BRI and GDI. In the 116th Congress, Section 254 of the America LEADS Act (S. 4629) would have included similar provisions.

Congress also may consider whether PRC development activities present opportunities for the United States. From 2008 to 2017, the United States and China discussed coordinating their foreign assistance in third countries, and conducted joint projects in Liberia and Afghanistan.

In deliberating these questions, Congress may consider whether it requires additional information to assess the scope and effect of the PRC's development programs. The Belt and Road Oversight Act (S. 1011) would establish the position of Country China Officer in the Department of State to monitor and counter PRC-backed financing projects around the world.

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