How China Lends 2.0: Introducing an extended dataset of 371 debt contracts

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In this brief research note, we introduce the 2.0 version of the How China Lends (HCL 2.0) dataset. Our new and expanded dataset comprises 371 debt contracts between 20 Chinese state-owned creditors and 155 borrowers in 60 countries signed between 1990 and 2025. All of these contracts can be accessed through an online repository at http://china-contracts.aiddata.org. We use the updated data to revisit key findings from our 2021 study and confirm that they continue to hold in the larger sample. In particular, we confirm the extensive use of collateralization, borrower confidentiality clauses, and "No Paris Club" clauses.

In April 2021, we published a study entitled *How China Lends* that analyzed 100 sovereign debt contracts that Chinese state-owned creditors signed with borrowing institutions in 24 low- and middle-income countries between 2000 and 2020 (Gelpern et al. 2021).[1] Our analysis was based on the 1.0 version of the *How China Lends (HCL 1.0)* dataset, which documented the financial characteristics (e.g., principal, interest, currency, maturity, amortization schedule, collateral, guarantees) and non-financial characteristics (e.g., seniority, confidentiality, governing law, events of default) of the contracts.

Since the publication of the study and online repository in 2021, AidData has continued to implement systematic search procedures to retrieve debt contracts from government registers and gazettes, parliamentary websites, repositories of legal acts, and debt information management systems in borrower countries.[2] These efforts have resulted in the identification of 371 debt contracts entered into by 20 Chinese state-owned creditors and 155 borrowing entities in 60 countries over a 36-year period (1990-2025). All of these documents are now available in an online repository (http://china-contracts.aiddata.org), which is searchable by lender, borrower, sector, and contract clause.

This research note first introduces the new dataset, and then revisits key findings from the 2021 *How China Lends* study in the extended dataset.

[1] An updated and revised version of the study was published in *Economic Policy* in April 2023 (Gelpern et al. 2023).

[2] For ease of exposition, we use the term "debt contracts" to capture the full range of debt-related contracts in the HCL 2.0 dataset. All of these contracts were obtained from publicly available sources using AidData's Tracking Underreported Financial Flows (TUFF) methodology (Custer et al. 2023).

The HCL 2.0 Dataset

Table 1 provides an overview of the HCL 2.0 dataset by creditor, borrower, level of public liability, and contract type. It captures a more diverse set of debt contracts than the HCL 1.0 dataset. Whereas the latter only codes the observable characteristics of loan agreements and the framework agreements under which loan agreements are approved, our new dataset includes loan agreements, framework agreements, escrow account agreements, mortgage agreements, guarantee agreements, on-lending agreements, share pledge agreements, account charge agreements, debt restructuring agreements, and other types of transactional documents.[3]

Table 1. Sample characteristics of the HCL 1.0 and 2.0 datasets

	HCL 1.0	HCL 2.0
Contract types		
All contracts	100	371
Loan contracts	89	271
Syndicated loan agreements	2	25
Loan framework agreements	8	10
Public liability		
PPG loan contracts	89	240
Non-PPG loan contracts	0	31
Creditor composition		
China Eximbank	74	234
China Development Bank	12	42
Central governments	4	34
State-owned commercial banks	9	36
State-owned companies	4	33
Borrower composition		
Recipient countries	24	60
Central governments	90	273
Municipal governments	1	3
Government agencies	1	1
State-owned companies	6	43
Private sector	0	48
Special purpose vehicles	2	3

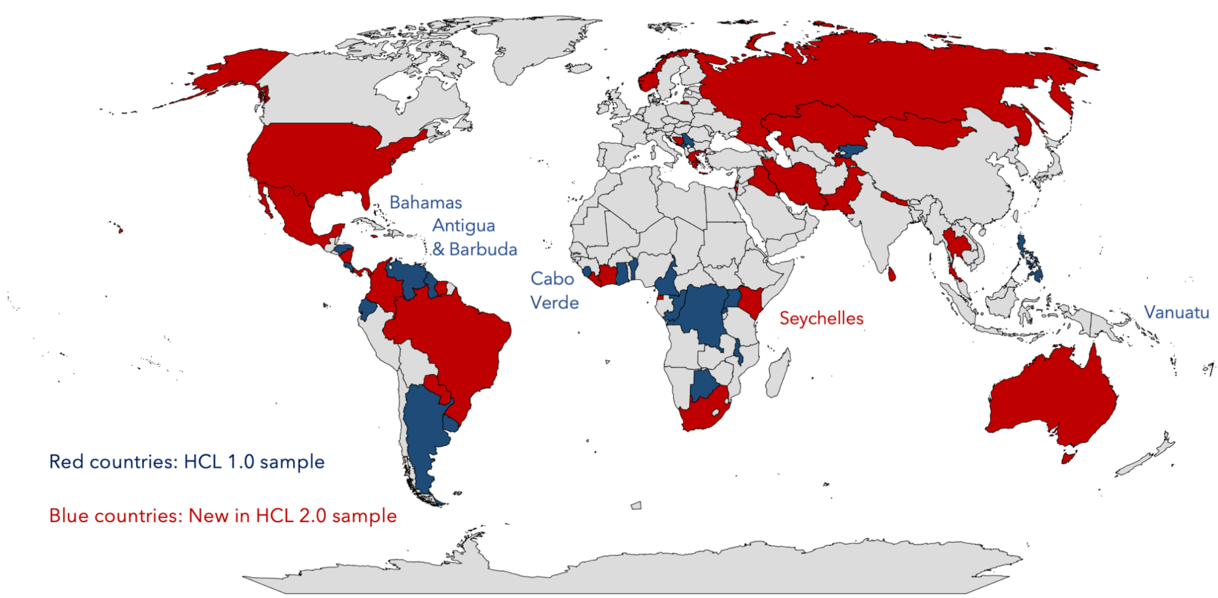
Note: This table shows the composition of the HCL 1.0 dataset (Gelpern et al., 2021) and the new HCL 2.0 dataset by contract type, creditor entity and borrower type. Creditor entities are not mutually exclusive, as one debt contract can involve more than one creditor. All of the debt contracts in the HCL 1.0 dataset are also included in the HCL 2.0 dataset.

[3] Table 2 in the Appendix provides a detailed decomposition of the dataset by contract type.

It also captures a more diverse set of creditors. Most debt contracts in the HCL 2.0 dataset were extended by China's state-owned policy banks, including 234 from China Eximbank and 42 from China Development Bank. However, the dataset also includes 36 from China's state-owned commercial banks (e.g., Bank of China, ICBC, China Construction Bank), 33 from its state-owned enterprises (e.g., PetroChina, UNIPEC, China CAMC Engineering Co., Ltd), and 34 from its central government.

On the recipient side, we capture transactions with borrowers from 60 low-income, middle-income, and high-income countries around the globe (see Figure 1). A key contribution of the HCL 2.0 dataset—in comparison to the 1.0 version—is that we capture 31 contracts which do not qualify as public and publicly-guaranteed (PPG) debt transactions. Still, the majority of transactions in our expanded dataset are debt contracts with central governments (273 contracts) and their state-owned enterprises (43 contracts).

Figure 1. Geographic scope of the HCL 2.0 dataset



Note: This figure shows the 60 recipient countries for which we identified PPG and non-PPG debt contracts with Chinese state-owned creditors.

Revisiting core findings from "How China Lends"

Our 2021 *How China Lends* study documented three previously unknown facts about China's overseas lending practices on the basis of the 100 debt contracts (the HCL 1.0 dataset) we had identified at the time:

- First, Chinese loan contracts contain unusually restrictive confidentiality clauses. Although foreign loan contracts often limit the types of information that creditors can disclose, Beijing's policy banks (China Eximbank and China

Development Bank) impose confidentiality obligations on sovereign borrowers, which makes it more difficult for taxpayers to understand the debts that they are ultimately responsible for repaying.

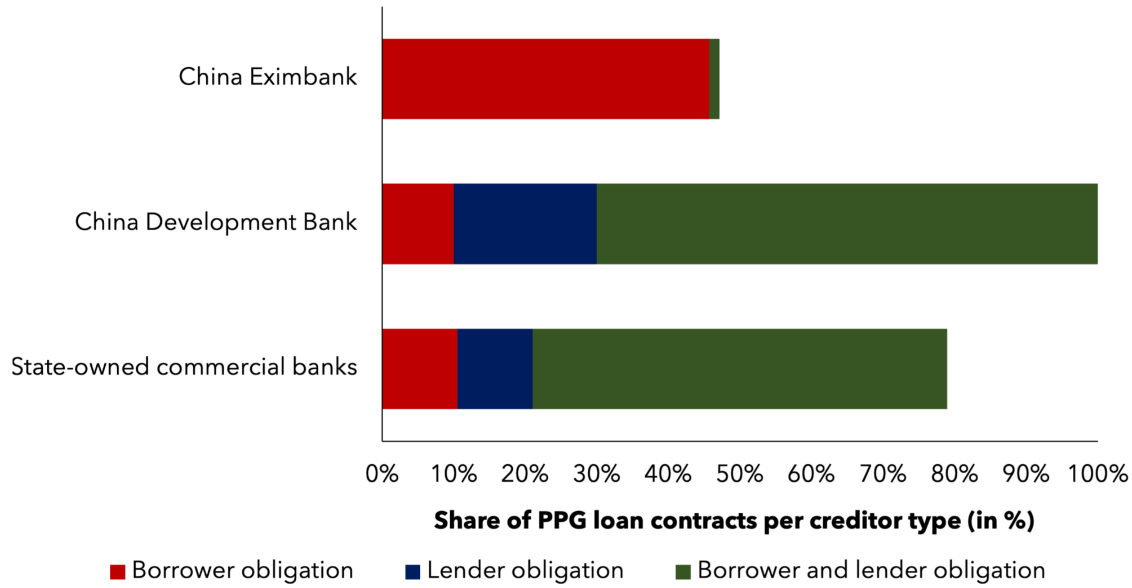
- Second, Chinese banks seek to position themselves as senior creditors whose loans should be repaid on a priority basis. Nearly a third of the contracts in the sample required their PPG borrowers to maintain significant cash balances in lender-controlled bank accounts. These collateral and quasi-collateral arrangements seek to position Chinese banks at the front of the repayment line, since they can simply dip into their borrower's accounts to collect unpaid debts.

- Third, nearly three-quarters of Chinese loan contracts contain "No Paris Club" clauses, which expressly prohibit countries from restructuring Chinese loans on comparable terms and in coordination with other creditors. This go-it-alone approach effectively gives Chinese state-owned creditors sole discretion to decide if, when, and how they will grant debt relief.

Here we analyze whether these three core findings hold in our new and expanded sample of loan contracts that cover more Chinese lenders, borrowers, and countries over a longer period of time. To ensure comparability with Gelpern et al. (2021, 2023), which focuses on China's overseas lending activities during the 21st century, we first restrict our analysis to the PPG loan contracts in the HCL 2.0 dataset. Our analysis is therefore based on a sample that consists of 231 PPG loan contracts covering 16 creditors and 73 debtors in 42 countries over a 26-year period (2000-2025).

Confidentiality: Figure 2 presents our updated findings on the use of broad confidentiality clauses. Each bar shows the share of PPG loan contracts—from different Chinese creditors—that contain confidentiality clauses. The red bars represent contracts with confidentiality provisions binding only the borrower; the blue bars indicate provisions binding only the lender; and the green bars capture contracts that include confidentiality provisions binding both parties. Figure 2 confirms our finding from the initial *How China Lends* study that Chinese creditors are particularly likely to include expansive confidentiality undertakings. Sample shares in the HCL 2.0 dataset closely align with sample shares in the HCL 1.0 dataset. Overall, 48 percent of China Eximbank loan contracts include confidentiality clauses (as compared to 43 percent in the HCL 1.0 dataset) and 100 percent of CDB loan contracts include confidentiality clauses (the same ratio in the HCL 1.0 dataset).

Figure 2. Chinese creditors make extensive use of confidentiality clauses

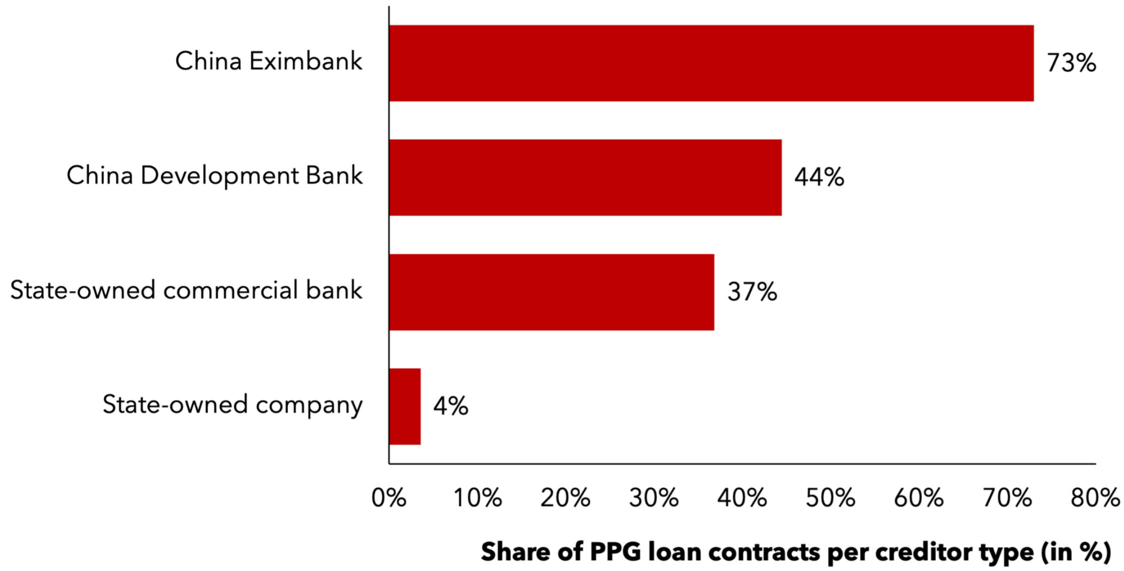


Note: This figure shows the share of PPG loan contracts per creditor entity (type) that includes confidentiality clauses. We distinguish between clauses that bind only the borrower (red bars), clauses that bind only the lender (blue bars) and clauses that bind both borrower and lender (green bars). All data are from the HCL 2.0 dataset.

Despite repeated calls by the World Bank, the IMF, and the G7 to "make public debt public" (IMF 2020; G7 2021; World Bank 2022; Maslen and Aslan 2022; Vasquez et al. 2024), the use of confidentiality clauses that bind borrowers remains remarkably prevalent. Our new dataset confirms the time trend towards greater secrecy that we documented in the initial *How China Lends* study. While only 2 percent of China Eximbank contracts prior to 2014 included confidentiality clauses that bind borrowers, 82 percent of China Eximbank contracts in our sample include such clauses between 2015 and 2025. At the same time, individual contracts in the HCL 2.0 dataset demonstrate that borrowers need not agree to confidentiality undertakings that they consider to be overly restrictive. Mongolia is a case in point: none of the loan agreements that it signed with China Eximbank after 2016 include confidentiality clauses that bind the borrower.

Seniority: Figure 3 focuses on the use of "No Paris Club" clauses by Chinese creditors. In our initial *How China Lends* study, we found that close to three-quarters of the debt contracts in the HCL 1.0 dataset contain a clause which expressly commits the borrower to exclude the debt from restructuring in the Paris Club of official bilateral creditors and from any comparable debt treatment relative to Paris Club or any other creditors. Figure 3 shows that the use of "No Paris Club" clauses is also prevalent in the expanded dataset. 55% of Chinese loan contracts in the HCL 2.0 dataset include the clause. Consistent with the results that we reported in our initial study, China Eximbank is particularly likely to include the clause (73% of contracts), whereas its incidence is lower in CDB loans (44% of contracts) and state-owned commercial bank loans (37% of contracts).

Figure 3. Use of "No Paris Club" clauses by Chinese creditors



Note: This figure shows the share of PPG loan contracts per creditor (type) in our new dataset that include "No Paris Club" clauses. All data are from the HCL 2.0 dataset.

In our initial *How China Lends* study, we argued that governments who borrow from Chinese lenders and restructure their debts in the Paris Club must choose between breaching the "No Paris Club" clause and their comparability undertaking to the Paris Club. We also highlighted that this clause stands in tension with China's commitments under the G20 Common Framework agreed in November 2020, which essentially promised to restructure claims on the poorest sovereign borrowers in tandem with the Paris Club, and on comparable terms. Our updated dataset shows that this tension persists. Despite China's G20 commitments in November 2020, the "No Paris Club" clause remains a common feature of China's foreign lending practice: 86 percent of the PPG loan contracts that China's policy banks (CDB and China Eximbank) signed after November 2020 contain the clause. This includes usage of the clause in Rwanda and Uganda, two countries that are eligible to participate in restructurings under the Common Framework.

Collateral: In *How China Collateralizes* (Gelpern et al., 2025), we document that 46% of all Chinese PPG loans issued between 2000 and 2021 were effectively collateralized. The updated HCL 2.0 contract dataset captures 13 collateralized PPG loan contracts signed between 2022 and 2025, representing 45% of all (29) PPG loan contracts during that period. 85% (11 out of 13) of these collateralized PPG loans were secured with current or future cash deposits in escrow accounts. This empirical pattern is consistent with the findings of Gelpern et al. (2023, 2025). However, the HCL 2.0 dataset calls attention to a new trend of state-owned enterprises providing PPG loans with cash collateral provisions.[4]

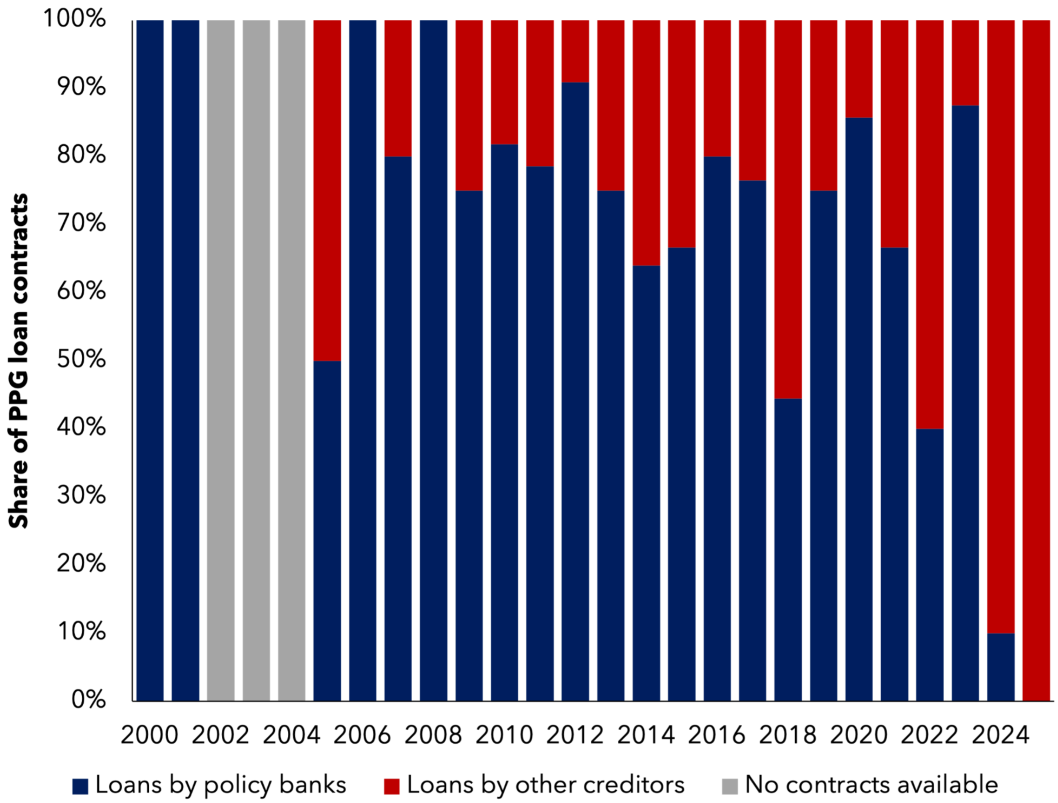
[4] Between 2022 and 2025, 85% of the lenders in the HCL 2.0 dataset that provided collateralized PPG loans were state-owned enterprises, such as China CAMC Engineering Co., Ltd., China Communications

Future outlook for China's overseas lending practices: Our reexamination of confidentiality, seniority, and collateral undertakings in the HCL 2.0 contract dataset suggests that Chinese lending practices on these core dimensions have been remarkably stable over time. At the same time, our newly expanded dataset shows significant changes in the composition of China's overseas PPG lending portfolio. In order to illustrate these changes, Figure 4 disaggregates the PPG loan contracts in the HCL 2.0 dataset by creditor category and year. While the policy banks (China Eximbank and CDB) account for a declining share of China's PPG lending operations in low- and middle-income countries, Chinese state-owned commercial banks (e.g., Bank of China, ICBC, China Construction Bank) and state-owned enterprises account for a growing share. A separate, but related, compositional change has taken place at the same time: a shift from bilateral lending arrangements to syndicated lending arrangements and co-financing arrangements with multilateral institutions (Parks et al. 2023).[5] These types of collaborative lending arrangements are consequential because they require that Chinese and non-Chinese banks agree upon a common set of contractual terms and conditions. Indeed, Figure 5 provides evidence that the types of confidentiality and seniority undertakings which are commonly observed in the PPG loan contracts of China's policy banks are less frequently observed in the PPG loan contracts of other Chinese state-owned creditors. However, contract clauses that require PPG borrowers to keep cash collateral in escrow accounts are used by a wide array of Chinese state-owned creditors.

Construction Company Limited, and CSCEC International Construction Ltd. All of these loans were secured with current or future cash deposits in escrow accounts.

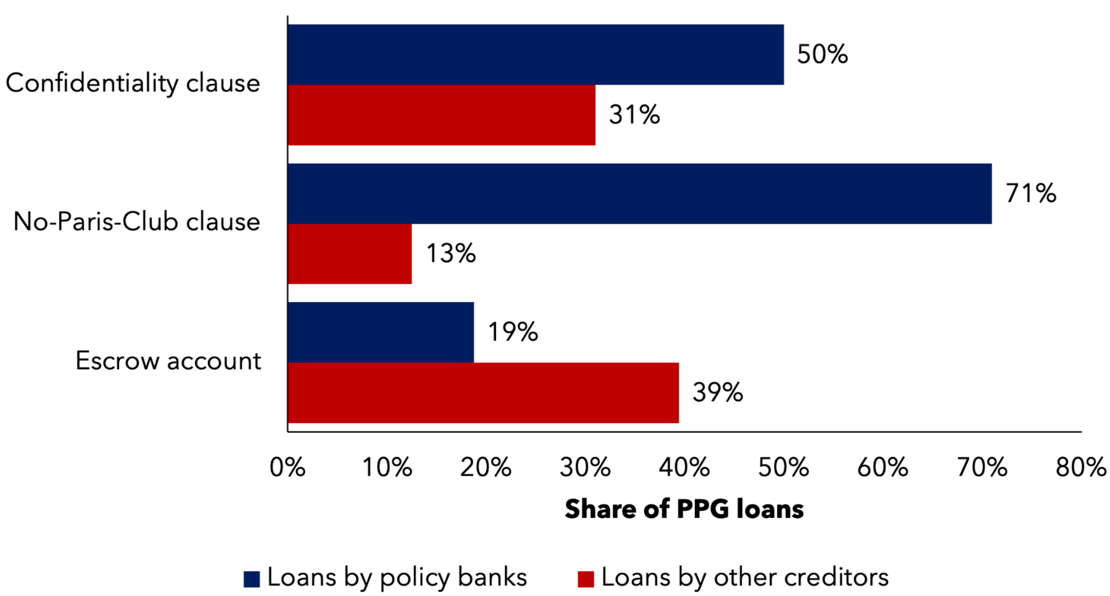
[5] China's state-owned commercial banks have a revealed preference for lending to low- and middle-income countries via syndicated credit instruments. Parks et al. (2023) provides evidence that 84% of China's state-owned commercial bank lending to low- and middle-income countries (LICs and MICs) relied on syndicated loan instruments and the remaining 16% relied on bilateral loan instruments. By comparison, only 36% of China's policy bank lending to LICs and MICs relied on syndicated loan instruments and the remaining 64% relied on bilateral loan instruments.

Figure 4. PPG loan contracts by creditor category



Note: This figure presents the share of PPG loan contracts from Chinese state-owned policy banks (blue bars) and the share of PPG loan contracts from other Chinese state-owned creditors (red bars) in the HCL 2.0 dataset. The dataset does not include contracts from 2002, 2003, or 2004 (grey bars).

Figure 5. Undertakings by creditor category



Note: This figure presents the share of PPG loan contracts from Chinese state-owned policy banks (blue bars) and the share of PPG loan contracts from other Chinese state-owned creditors (red bars) that include confidentiality clauses, "No Paris Club" clauses, and escrow account provisions. All data are from the HCL 2.0 dataset.

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Appendix

Table 2. Decomposition of the HCL 1.0 and 2.0 datasets by contract type

Type of contract	HCL 1.0	HCL 2.0
Account Charge Agreement	0	5
Agreement on Pledge of Participation Interest	0	1
Assignment of Account Agreement	0	1
Assignment of Guarantor's Compensation Proceeds Agreement	0	1
Assignment of Receivables Agreement	0	1
Assignment of Shareholder Loan Agreement	0	1
Common Terms Agreement	0	1
Concession Agreement	0	1
Currency Swap Agreement	0	1
Debenture Deed	0	1
Debt Cancellation Agreement	0	1
Debt Rescheduling Agreement	0	30
Deed of Covenant	0	6
Deed of Security	0	7
Escrow Account Agreement	1	5
Repayment Mechanism Arrangement Agreement	0	1
Four-Party Agreement	2	3
Framework Agreement	8	10
Guarantee Agreement	0	2
Implementation Agreement	0	1
Investors Agreement	0	1
Loan Agreement	88	268
Mortgage Agreement	0	8
On-Lending Agreement	0	6
Petroleum Sales and Purchase Contract	1	1
Share Pledge Agreement	0	1
Sponsor Support Agreement	0	1
Subscription and Contribution Agreement	0	1
Supplementary Agreement to a Loan Agreement	0	4

Note: This table decomposes the HCL 1.0 dataset (Gelpern et al., 2021) and the new HCL 2.0 dataset by contract type. All of the debt contracts in the HCL 1.0 dataset are also included in the HCL 2.0 dataset.