

The Rationale Behind the “Belt and Road” Initiative

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OBOR is a Grand Vision

- Guiding China's Future Opening-up Strategy
- Enhancing Regional and World Economic Growth
- Promoting the Orderly Development of Global Economic Governance

Guiding China's Future Opening-up Strategy

- Opening up will be more balanced and sustainable
- Enhance the degree of openness hence economic development in border and hinterland areas
- Increase the scope and depth of China's opening up

Enhancing Regional and World Economic Growth

- The world needs urgently new source of growth
- Through mutually beneficial cooperation and exploiting comparative advantages, OBOR countries can make great contribution to regional and world economic growth
- Areas for cooperation within OBOR are broad and prospects are bright

Promoting the Orderly Development of Global Economic Governance

- The initiative sets an example for international cooperation featuring openness, pragmatism, inclusiveness and win-win solution
- OBOR is an effective platform for global governance
- The Initiative brings new opportunities for cooperation between China and the U.S.

The BRI and China-EU Relations

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The BRI and China-EU Relations

- **Rationale** --- EU side

EU: “Crisis of Multiple Crises”

⊗ Ring of Friends } } } Ring of Fire

⊗ Crisis from Within

Intern'l Disorder Development-Security Nexus
Munich Security Conference 2016

a New EU Global Strategy by June 2016

The BRI and China-EU Relations

- **Rationale** ---China and EU “rediscover” each other

Empower “Comprehensive Strategic Partnership”

BRI: 1. Trade and Investment **Facilitator**
Hardware & Software

2. **Force Multiplier** for Structural Reforms

3. **Stabilizer** of (inner) Eurasia
underdevelopment & spill-over
→ a New hub of Global Integration ?

The BRI and China-EU Relations

- Progress

1. EU level BRI → "Juncker Plan"

Joint Investment Fund

China-EU Connectivity Platform

Joint Working Group → Roadmap

China-EU 2020 Strategic Agenda for Cooperation

The Trans-European Transport Networks (TEN-T)

"Connecting Europe Facility"

2. China-Europe Block Trains

815 165% (2015)

International Logistics Systems

The BRI and China-EU Relations

- Progress

3. (1) China and CEE Countries “16+1”

Hungary-Serbian Railway

“land-sea express passage”

Port areas of Adriatic-Baltic-Black Sea Region

(2) China-UK ; China-France “Third Party”

4. Development Financing

AIIB---EU Commission---EIB China---EBRD

“16+1” RMB clearing Centers in EU

The BRI and China-EU Relations

- Challenge (China-EU)

1. "Trust Deficits"

EU Solidarity "Divide and Rule"?

2. Economic Competition

3. Obstacles in Norm, Rule and Law

4. Political and Security Risks

The BRI and China-EU Relations

- Challenge (China-EU-US)

1. US Factor: US-led Integration Projects

Non-NATO Ally

2. US Suspicions: Chinese “Marshall Plan” ?

AIIB “system in parallel” ?

a “hollow” Transatlantic Alliance ?

The BRI and China-EU Relations

- Challenge (China-EU-US)

3. China-US Policy Consultation

Anthony Blinken: Collaboration not Competition

Xi Jinping: BRI open to US

BRI → US "New Silk Road Plan"

→ EU-Central Asia €1 billion by 2020

4. Track 2.0/Track 1.5 → Policy Network

CDRF-PIIE CSIS CAP NBR RAND ECFR

Thank you and
Comments are Welcome!