

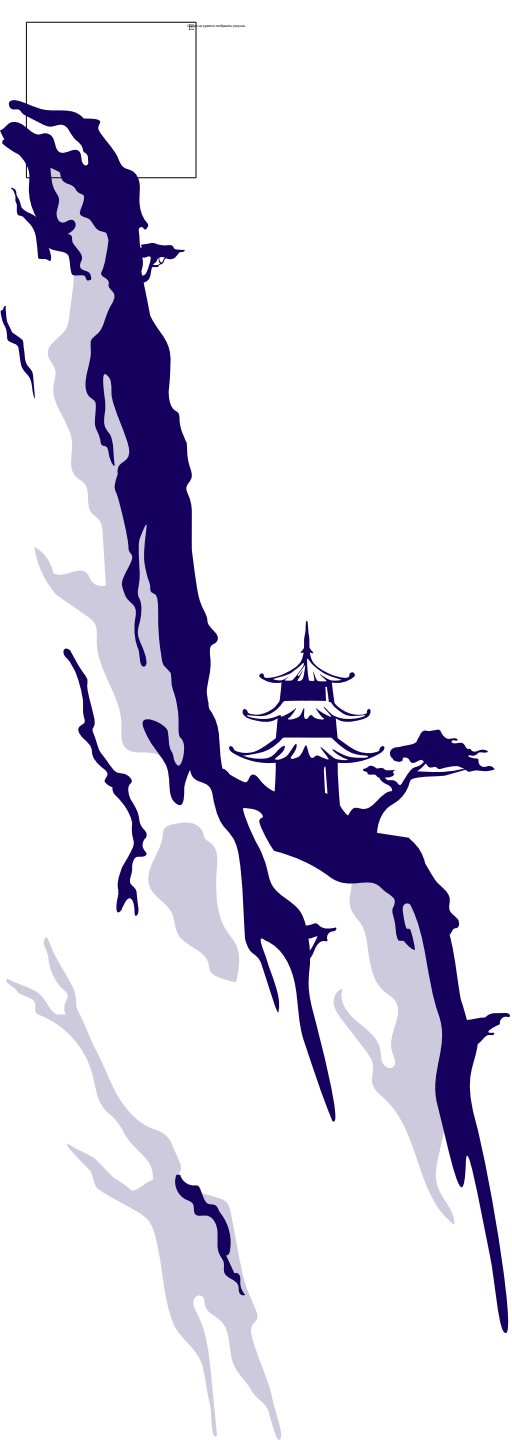
MOSCOW ECONOMIC FORUM

Embarking on the Belt and Road Together

China's Role in the Eurasian Strategy

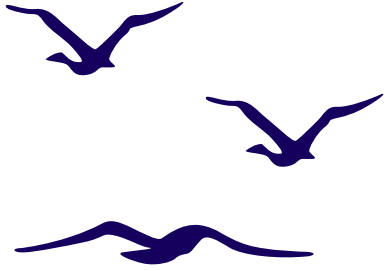
Speaker: Prof. Yuhua WU (Werner), China
April 1st, 2024





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01

China's Economic Influence in Eurasia

A Driver of Economic Growth

1. The Belt and Road Initiative bolsters economic growth

The Belt and Road Initiative (BRI) has facilitated trade between China and Eurasian countries and created plenty of job opportunities, with investments totaling more than \$130 billion.

2. A network of free trade zones advances cooperation

China has played an active role in building a network of free trade zones, such as the China-Central Asia Free Trade Zone, which has reduced trade barriers and facilitated regional economic integration.

3. Infrastructure investments foster greater connectivity

China's infrastructure investments across the Eurasian continent, such as the China-Pakistan Economic Corridor, have strengthened regional economic ties, providing a new driver of economic growth.



A Champion of Regional Economic Integration

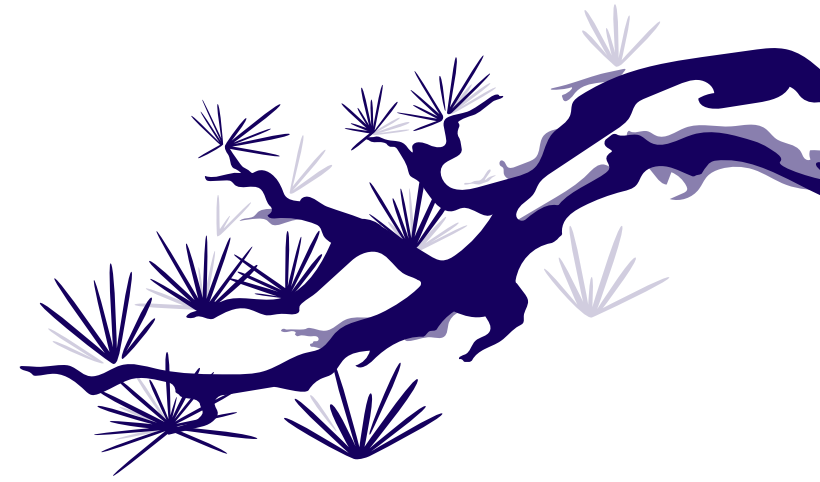
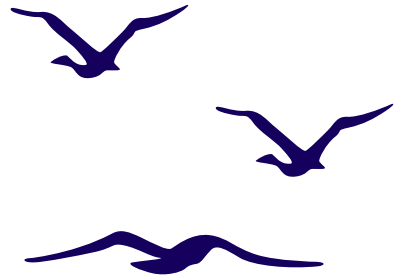
China's Belt and Road Initiative facilitates regional integration

Through the BRI, China engages in economic cooperation with countries across the Eurasian continent, with investments totalling more than a trillion US dollars, which has facilitated trade and regional economic integration.

Asian Infrastructure Investment Bank empowers financial cooperation in Eurasia

The Asian Infrastructure Investment Bank (AIIB), led by China, has attracted many Eurasian countries. The AIIB has also provided financial support and promoted infrastructure construction and financial integration, thereby strengthening regional economic cooperation.





02

China's Strategic Engagement in Eurasia

Investment in Key Infrastructure

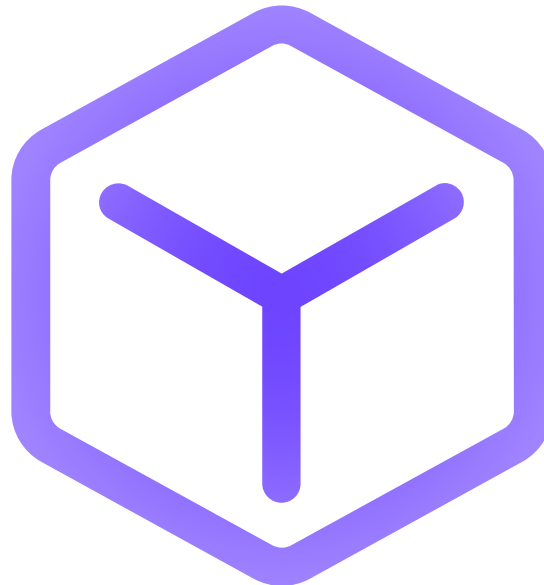


Key infrastructure connects the Eurasian markets

With 77 routes, China Railway Express has recorded more than 40,000 trips, making it the logistics artery linking places across Eurasia.

The Belt and Road Initiative facilitates Economic cooperation in Eurasia

The Belt and Road Initiative has prompted more Chinese investments in Eurasian infrastructure. With investments totaling more than \$130 billion, the initiative has furthered regional economic integration.



Chinese investments promote industrial capacity cooperation in Eurasia

Chinese companies have funded and established factories, such as the BMW plant in Hungary and the natural gas pipeline project in Russia, across the region, driving local industrial upgrades.

China Railway Express (CR Express)

China Railway Express is the international intermodal train for containers between China and Europe and countries along the Belt and Road.

In recent years, thanks to the Belt and Road Initiative, CR Express has gradually gained wide recognition by Chinese and European clients due to its comparative advantages in **timeliness, price, capacity, safety, and overall service**. It has become a viable logistics alternative to sea and air transport between China and Europe.

The number of China-Europe Railway Express **freight trips** reached **2,928** in the first two months of 2024, **up 9 percent** year on year. About **317,000 twenty-foot equivalent units (TEU)** of goods were transported via the freight train services during this period, **up 10 percent** from a year earlier, according to the China State Railway Group Co., Ltd. The latest data shows that the China-Europe trains have now reached **25 European countries**, connecting **219 cities** from 217 in 2023.



China Railway Express (CR Express)

The China-Europe Railway Express (CRE) operates along three major corridors: the eastern, central, and western routes.

01

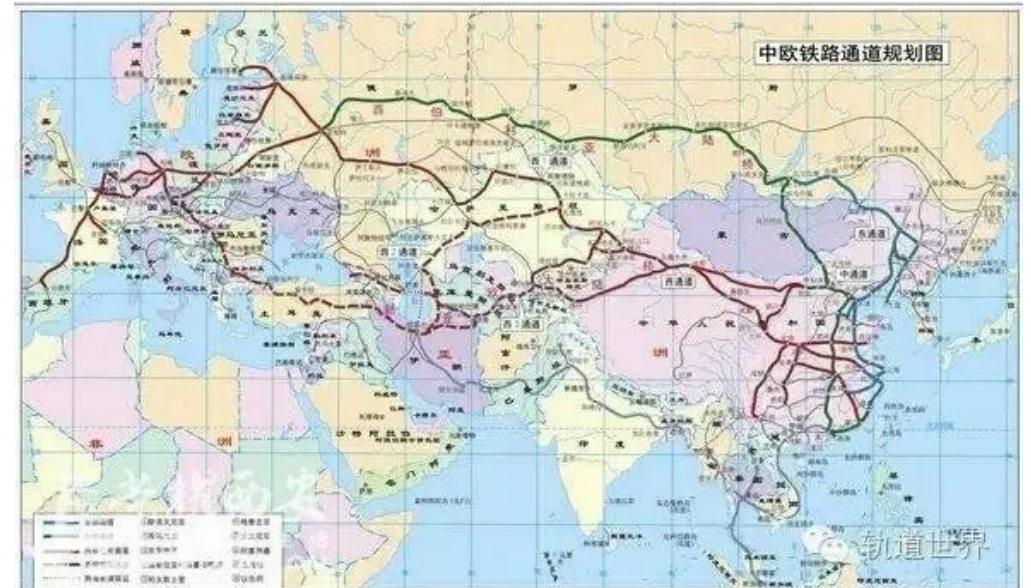
-**The eastern route** primarily serves Chinese exports from coastal regions, notably Yiwu in eastern Zhejiang province. It exits China through Manzhouli in Inner Mongolia, traverses [Russia](#), and enters Europe via Belarus and Poland.

02

-**The central route** is dedicated to goods produced in central China and the southern coastal provinces like Guangdong, a manufacturing hub. It enters Mongolia through Erenhot in Inner Mongolia, crosses [Russia](#), and then reaches eastern and western Europe.

03

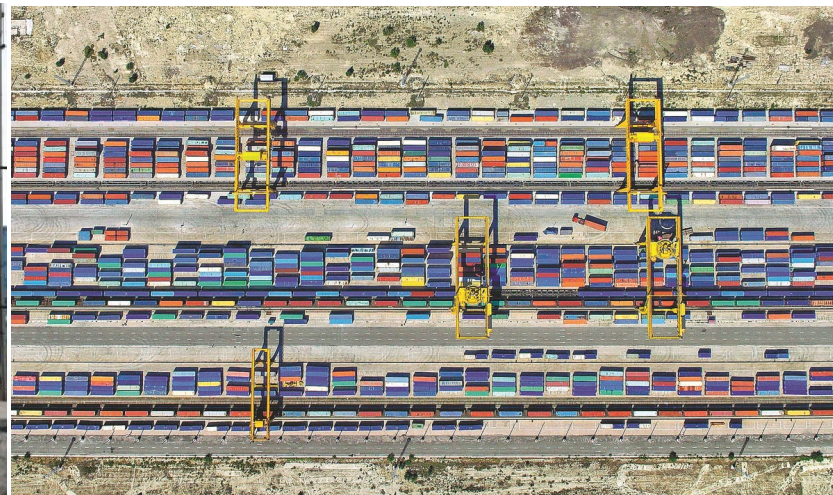
-**The western route** primarily facilitates exports from western China, entering Kazakhstan via Alashankou or Khorgos in the Xinjiang Uygur Autonomous Region before extending further into Europe. Most of these routes pass through [Russia](#), Belarus, and Poland, with a few trains also transiting through Ukraine en route to Hungary.



China Railway Express (CR Express)

As the Israeli-Palestinian conflict spills into the Red Sea, disrupting vital shipping lanes and global supply chains, attention is being drawn to the land-based rail route between China and Europe.

The China-Europe freight train service, is experiencing a surge in demand amidst the turmoil, highlighting its critical role as a dependable trade route that contributes to the resilience of global supply chains.





Establishment of Multilateral Cooperation Platforms

1. China's Belt and Road Initiative

Through the BRI, China endeavors to strengthen economic cooperation with Eurasian countries, promote infrastructure connectivity, and achieve shared prosperity.

2. Role of the Asian Infrastructure Investment Bank

The AIIB provides financial support for infrastructure construction across the Eurasian continent, which has advanced regional economic integration.

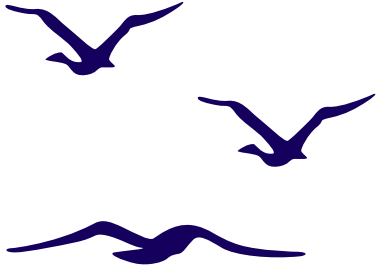
3. Building a network of free trade zones

China has made active efforts to build a network of free trade zones. In that course, the country has signed free trade agreements with a number of Eurasian countries to reduce barriers and facilitate trade.

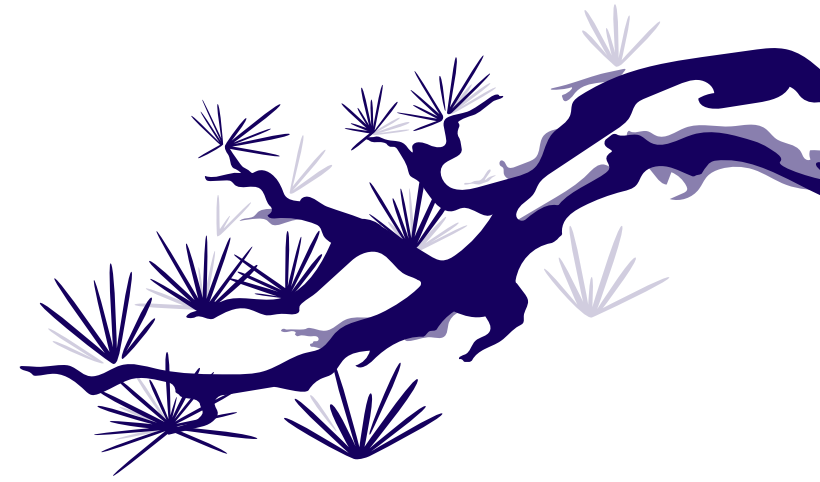
4. Establishment of multilateral cooperation platforms

China advocates the building of multilateral cooperation platforms, such as the Shanghai Cooperation Organization, to enhance mutual political trust, promote security cooperation, and provide a stable environment for economic cooperation.





03



China's Economic and Trade Relations with Eurasian Countries

Deepening and Expanding Trade Relations



The Belt and Road Initiative promotes trade connectivity

China, through the BRI, has facilitated trade by collaborating with Eurasian countries in infrastructure projects. By 2022, China's trade volume with countries along the Belt and Road reached \$13.8 trillion, up 19.4%.



The expansion of a network of free trade zones picks up pace

China has set up multiple free trade zones across the Eurasian continent, such as the China-Central Asia Free Trade Zone, to reduce tariff barriers, expand the circulation of goods, and promote regional trade prosperity.



Financial cooperation deepens trade ties

Through financial institutions like the AIIB, China has provided financial support for Eurasian countries to facilitate trade and investment, promoting regional economic integration.



Sci-tech innovation upgrades trade

China has strengthened sci-tech cooperation with Eurasian countries to advance the transformation in trade from traditional sectors towards digital and green industries. With such efforts, innovative trade models such as cross-border e-commerce and digital payments have continued to emerge.

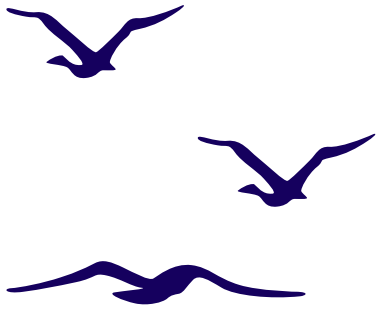
Two-Way Investment: Growth and Trends

China-Europe trade reached a record high of \$856.3 billion in 2022. As key economic and trade partners with each other, the two have witnessed steady growth in two-way investment.

**Rapid
growth in
China-
Europe trade**

**Increasing
Chinese
investment in
Central Asia**

China's investment in Central Asia continues to grow. In 2022, investment made by Chinese investors in Central Asia surged by 31.2% year on year, which demonstrates China's deepened strategic engagement in the region.



04



China's Cultural Exchange Efforts and Soft Power in Eurasia

Cooperation in Fields including Education and Tourism



Education cooperation promotes cultural exchange

China and Eurasian countries have exchanged over one million students in 2022, which enabled cultural blending and fostered mutual understanding.



Tourism cooperation drives economic growth

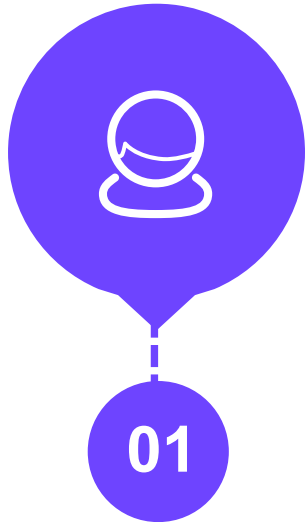
Tourist destinations covered by China-Eurasia cooperation experienced a 15% rise in tourist arrivals and recorded more than \$100 billion in tourism revenue in 2022.



China's strategic engagement promotes regional integration

Through the BRI, China has worked together with Eurasian countries to build infrastructure, promote trade liberalization, and strengthen regional economic integration.

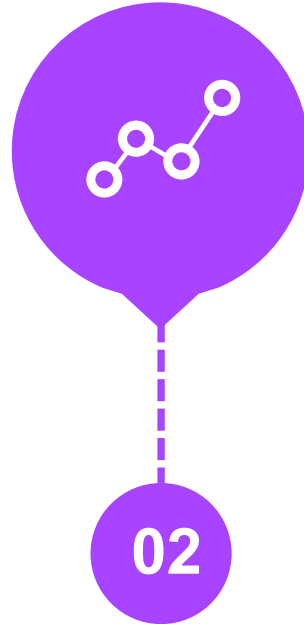
Export of Cultural Products and Services



01

China's cooperation with the Eurasian Economic Union

China has strengthened cooperative ties with the Eurasian Economic Union (EAEU) to promote regional economic integration, facilitate the circulation of goods and services, and enhance cultural exchange.



02

Rapid growth in the export of cultural products

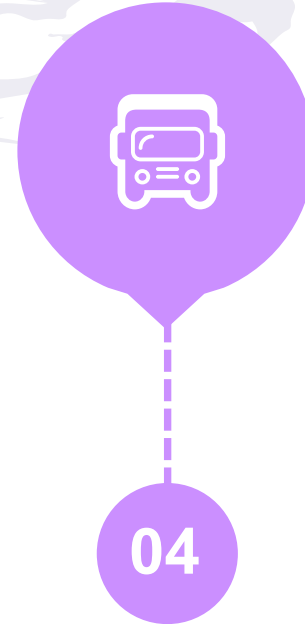
China's export of cultural products, including films, books, and artworks, has continued to rise, hitting \$XXX billion in 2022.



03

Strategy for the export of digital services

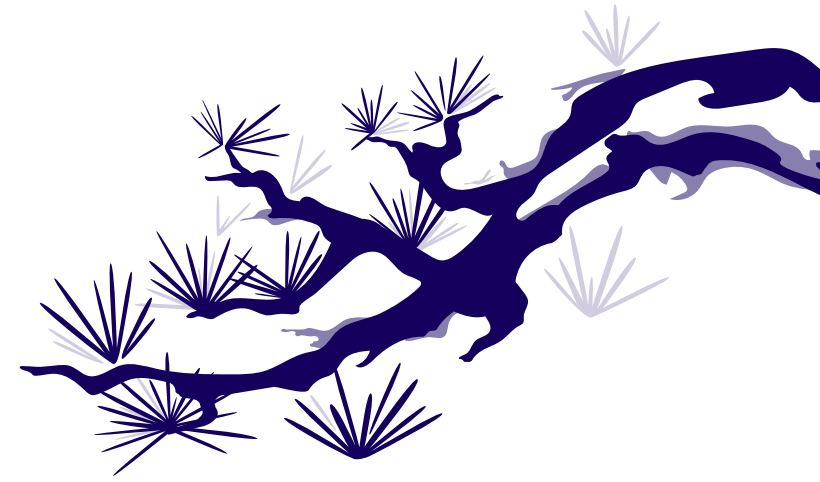
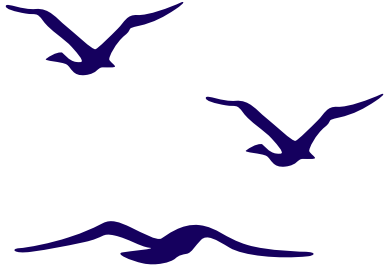
Through the Digital Silk Road, China has helped popularize digital products and services, such as online education and e-commerce platforms, in Eurasia



04

Cultural exchange deepens cooperation

China has fostered more mutual cultural understanding with Eurasian countries through cultural festivals, art exhibitions, and other forms of cultural exchange to provide a favorable environment for economic cooperation.



05

Challenges and Strategic Response



Geopolitical Risks and Diplomatic Strategies

1. Deepening economic cooperation and strengthening strategic engagement

By collaborating with Eurasian countries through the Belt and Road Initiative, China has invested in infrastructure, strengthened trade ties, and promoted regional economic integration, thereby mitigating geopolitical risks.

2. Mitigating risks with flexible diplomatic strategies

Following a path of peaceful development, China has engaged in multilateral diplomacy and dialogue to resolve conflicts and disputes and mitigate geopolitical risks across the Eurasian continent.





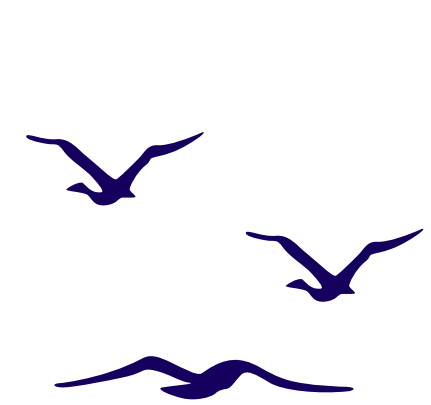
Economic Restructuring and Industrial Upgrading

1. China promotes economic cooperation in Eurasia

China proposed the BRI to facilitate trade with Eurasian countries. In 2022, trade between China and Eurasian countries exceeded \$10 trillion, which has helped foster shared prosperity.

2. China empowers industrial upgrading in Eurasia

China has provided technologies for Eurasian countries to facilitate industrial upgrading (e.g., the shipment of high-tech products via China Railway Express) to optimize regional industrial structures.



06



Trends and Prospects

Green Development and Sustainable Growth



01

China deepens cooperation with the Eurasian Economic Union

China's trade volume with members of the Eurasian Economic Union has continued to grow. In the first quarter of 2022, trade between China and members of the EAEU rose by 26%, year on year, which captures the enormous potential of cooperation between China and the EAEU.

02

A rise in green investment projects

China's investment in green energy projects across the Eurasian continent, such as wind and solar energy, has risen steadily over the years, which has contributed to sustainable development.

03

Enhanced cooperation in green technology

China and Eurasian countries are engaged in the joint R&D of green technologies such as environmentally friendly materials and clean production to facilitate green transformation and unlock economic growth.

A Pioneer of the Digital Economy and Sci-Tech Innovation

01

The Belt and Road Initiative bolsters economic cooperation in Eurasia

China, through the BRI, has fostered infrastructure connectivity across the Eurasian continent, enhanced economic complementarity, and promoted trade and investment facilitation.

02

The digital economy accelerates regional integration

China has promoted digital technology and e-commerce in the region to strengthen economic ties with Eurasian countries. Data indicates an annual growth rate of over 20% in cross-border e-commerce transactions between China and Eurasian countries.

03

Technological innovation enables industrial upgrading

China's technological innovations in fields like new energy and artificial intelligence have spearheaded the industrial transformation in Eurasia, as they provide new growth drivers for partner countries.

04

China's strategic engagement promotes long-term stability and development

With well-planned strategic engagement, China has deepened economic cooperation with Eurasian countries to jointly address global economic risks and foster long-term stability and development in the region.

Prof. Yuhua WU (Werner)

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Current Roles & Responsibilities:

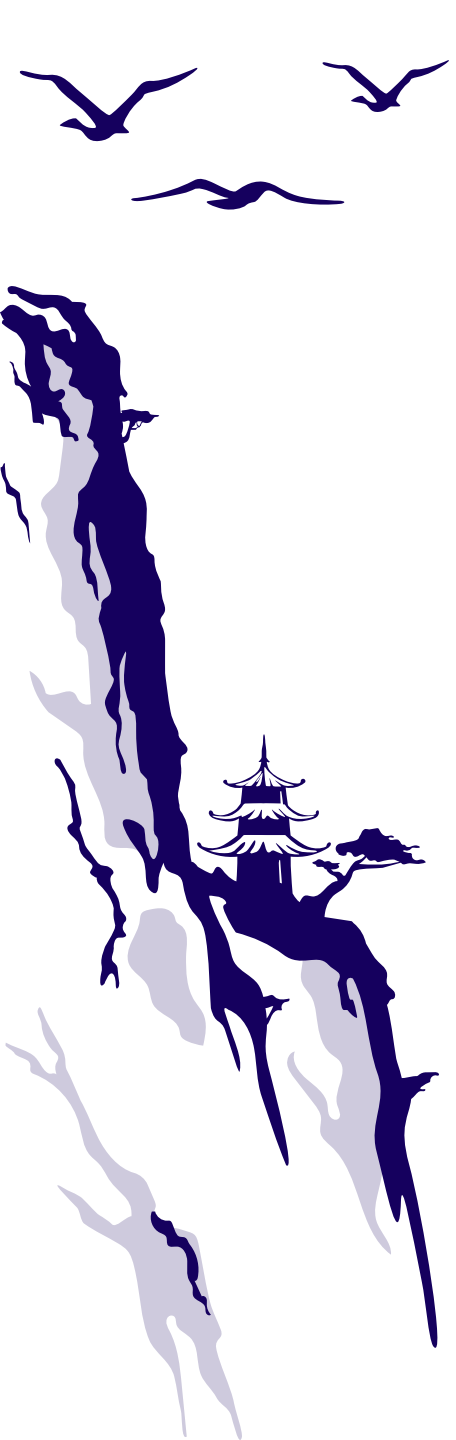
Doctorate of Business Administration, Master of Economics (Dipl. Kfm.), Senior Economist, Professor, Researcher
Executive President of Shanghai Zhangjiang High-tech Park Development Co., Ltd. & the Yangtze River Delta Sci-tech City
Director of Executive Committee of Foreign Invested Companies (ECFIC) of China Association of Enterprises with Foreign Investment (CAEFI)
Standing Member of Shanghai Committee of Chinese People's Political Consultative Conference (CPPCC) and Sector Convener
Founder and Chairman of the Council of the Artificial Intelligence Research Institute at Donghua University
Global Vice Chairman of the Federation of German-Chinese Alliance (Bundesverband Deutsch-Chinesische Allianz, BDCA)

Past Roles & Responsibilities:

Chief Representative and General Manager for European region, Director of Investment and Consulting Management, Planning & Finance, China Baowu Steel Group
VP of BD Asia-Pacific at Siemens AG, Senior Vice President of China, Chief Export Control Officer, President of Siemens Real Estate Investment, CFO BU Intelligent Traffic Management Systems at Siemens Ltd., China
Regional Director at ALSTOM (China) Investment Co., Ltd. General Manager of Alstom Technical Services Great China.

Prof. WU's areas of expertise include science, technology, economics, law and multi-languages built upon his 16 years' living and working experience in Europe. He has been working with the largest central government-owned company, multinational companies, private companies and high-tech zones with successful track records in a wide array of industrial fields, such as iron and steel, energy, transport, health care, design-construction-operation of various industrial/high-tech parks. Prof. WU has held many key leadership positions, including strategic planning & corporate development, marketing, government & stakeholder affairs, sales & technical services, product and project business, investment & financing, R&D, M&A, IPR and global shared services (finance, tax, legal, compliance, real estate). These laid a solid foundation for him to be a successful international business leader in different companies, functions and political and cultural environment, especially between China and Germany.

Prof. WU is the winner of the first prize in China's National Competition in German and the second prize of scientific and technological Progress Shanghai. In recognition of his outstanding contributions, he has been awarded a series of honors by China Baowu Steel Group, Siemens Group, Chinese central government and local governments.



Thank You!