

The Belt and Road: Achievements and Prospects (to the Tenth Anniversary of the Initiative)



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Abstract. September 7, 2013, Chinese President Xi Jinping proposed the Silk Road Economic Belt initiative in Astana (Kazakhstan), and October 3, 2013 – the 21st Century Maritime Silk Road in Indonesia. The year 2023 marks the 10th anniversary of The Belt and Road Initiative, which has received positive feedback from many countries and international organizations. The Belt and Road strategy corresponds to the course of historical development and meets the expectations of all parties. The international community pays considerable attention to it. As of January 2023, China has signed more than 200 documents on cooperation with 151 countries and 32 international organizations. In ten years, The Belt and Road Initiative achieved fruitful results and brought tangible benefits to the population of the countries located along the route. Currently, cooperation within the framework of The Belt and Road project is facing the turbulence of the external environment, but its possibilities have not been exhausted.

For citation: Lyu Hongying, Wang Chao (2023). The Belt and Road: Achievements and prospects (to the tenth anniversary of the Initiative). *Economic and Social Changes: Facts, Trends, Forecast*, 16(5), 279–293. DOI: 10.15838/esc.2023.5.89.16

In the future, it will contribute to the development of international cooperation in more areas and at a deeper level, achieving mutual benefit. The article summarizes the achievements and experience of the construction of The Belt and Road for ten years, analyzes the problems and difficulties that have arisen, and also considers new opportunities and challenges in promoting high-quality development within the framework of The Belt and Road Initiative.

Key words: China, The Belt and Road Initiative, Silk Road Economic Belt, Maritime Silk Road, opportunities, challenges.

Introduction

The year 2023 marks the 10th anniversary of the launch of The Belt and Road Initiative. The Belt and Road is a short title for the initiatives “Silk Road Economic Belt” and “21st Century Maritime Silk Road”, put forward by Chinese President Xi Jinping during negotiations in Kazakhstan and Indonesia in 2013. The Belt and Road is the longest economic corridor in the world, connecting several economic regions, such as the Asia-Pacific region, Africa and Europe. The Belt and Road Initiative covers a large number of developing countries and is aimed at establishing links between developing and developed States. Domestic and foreign scientists are showing great interest in the impact of The Belt and Road Initiative on the economic development of individual countries and the world in general.

Scientific novelty of our work consists in the fact that, based on the results of recent research and data, we carry out a comprehensive analysis of the development of The Belt and Road strategy over ten years; discuss achievements in the framework of cooperation; and outline further prospects for the development of the project.

Theoretical contribution of the research findings is due to the fact that only a timely generalization and comprehensive understanding of the latest achievements of The Belt and Road Initiative will ensure constant guidance for the development of cooperation within its framework. The article summarizes practical experience of the project’s implementation over ten years, and considers new opportunities and challenges to be faced in the next

ten years to promote high-quality development within the framework of The Belt and Road Initiative.

Practical contribution of the research findings consists in the fact that they can be used as lessons and recommendations for other countries and regions if they intend to join The Belt and Road Initiative.

Literature review

Chinese and foreign scientists are very interested in the development of The Belt and Road Initiative; in general, they positively assess the concepts of openness and inclusiveness, peaceful development, mutual benefit, and put forward a number of opinions and proposals.

Speaking about the impact of The Belt and Road strategy on the Chinese economy, Helen Wong (Wong, 2015) noted that it involves strengthening China’s relations with trading partners, in particular economic relations with Asian neighbors, mainly through the development of transport networks and other infrastructure projects.

Georgi Georgiev (Georgiev, 2015) argues that the implementation of The Belt and Road Initiative has made it possible to expand transport and communication links between the countries of Central Europe through the construction of railway, automobile, aviation, telecommunications and electric networks, which contributes to the economic development of the Eurasian countries.

According to Jeanne L. Wilson (Wilson, 2016), in order to strengthen ties with its neighbors, the

Eurasian Economic Union unites the participating countries into an integrated single market with free movement of goods, capital, services and labor; as for China, it has developed The Belt and Road strategy. This reflects the goals of Russia and China's expanded foreign policy, which has had a positive impact on Russian-Chinese relations.

Leonard K. Cheng (Cheng, 2016) raises the question of the future development of The Belt and Road Initiative: which of the more than 60 countries of Asia, Europe and Africa located along the route can become priority objects of economic cooperation within its framework? He argues that economic interests (i.e. long-term mutually beneficial situations) are a good guiding principle.

Lyu Han and Zhang Chunting (Lyu, Zhang, 2023) study the impact of the initiative on the financial development of 62 countries located along The Belt and Road route. Empirical results show that The Belt and Road strategy as a whole can significantly contribute to improving the level of financial development of the countries located along the route.

Ma Weiguang (Ma, 2020) analyzed the impact of The Belt and Road Initiative on economic development of the countries along the route, including trade, investment and infrastructure construction, and revealed that they received benefits such as economic growth, job creation, optimization and modernization of industry.

Gu Weiyu (Gu, 2018) believes that The Belt and Road strategy is a positive response to the changes of time and has a profound positive impact on the economic development of China, Europe and Central Asia, as well as promotes cultural exchange and the development of world culture.

The articles by S.S. Zhiltsov (Zhiltsov, 2021), A.A. Kireeva (Kireeva, 2018), T.A. Levchenko (Levchenko, 2020) analyze the reasons that prompted China to put forward this initiative, as well as the mechanisms of its application in the implementation of long-term plans.

According to Li Na (Li, 2018), the concepts of the Silk Road Economic Belt and the 21st Century Maritime Silk Road laid the foundations of China's new foreign strategy for the near historical perspective.

According to Hu Biliang, executive director of the Belt and Road School of Beijing Pedagogical University (Hu, 2021; Hu, Zhang, 2022), despite the fact that the implementation of the initiative has faced some resistance and setbacks, the prospects for its development seem promising.

For ten years, The Belt and Road project has made significant progress

In February 2015, Chinese Vice Premier Zhang Gaoli held a workshop on promoting The Belt and Road Initiative. In March of the same year, the Chinese government developed and published the document "Vision and Action aimed at promoting the joint construction of the Silk Road Economic Belt and the 21st Century Maritime Silk Road", where five connecting elements were formalized: political coordination, interconnection of infrastructure, uninterrupted trade, free movement of capital and rapprochement of peoples, on the basis of which the key provisions of The Belt and Road have been formed.

Deepening political coordination and building a broad international consensus

Political coordination means strengthening mutual political trust, deepening contacts between people, addressing problems and disagreements during cooperation through political communication, as well as jointly providing political support for practical cooperation and the implementation of large-scale projects.

Political coordination is a guarantee of effective joint construction of The Belt and Road and an important prerequisite for the implementation of various measures for interaction and cooperation¹.

¹ The initiative of joint construction of The Belt and Road: Progress, contribution and prospects. Available at: <https://rus.yidaiyilu.gov.cn/document/issue/87094.htm>

Countries that have signed cooperation agreements
with China in the framework of The Belt and Road Initiative

Region	Countries	Number
Africa	Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Gabon, Gambia, Ghana, Guinea-Bissau, Guinea, Djibouti, Egypt, Zambia, Zimbabwe, Cape Verde, Cameroon, Kenya, Comoros, Congo (DRC), Congo-Brazzaville, Ivory Coast, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Seychelles, Senegal, Somalia, Sudan, Sierra Leone, Tanzania, Togo, Tunisia, Uganda, Central Africa, Chad, Equatorial Guinea, Eritrea, Ethiopia, South Africa, South Sudan	52
Asia	Afghanistan, Armenia, Azerbaijan, Bangladesh, Bahrain, Brunei, Cambodia, Georgia, Indonesia, Iraq, Iran, Kazakhstan, Korea, Kuwait, Kyrgyzstan, Laos, Lebanon, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Oman, Pakistan, Palestine, Qatar, United Arab Emirates, Vietnam, Yemen, Saudi Arabia, Singapore, Syria, Tajikistan, Thailand, Timor-Leste, Turkmenistan, Turkey, Uzbekistan, the Philippines, Sri Lanka	40
Europe	Albania, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Cyprus, Croatia, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Moldova, Poland, Portugal, Republic of North Macedonia (The Former Yugoslav Republic of Macedonia), Romania, Russia, Serbia, Slovakia, Slovenia, Ukraine, Montenegro, Czech Republic, Estonia	27
Oceania	Vanuatu, Kiribati, Niue, New Zealand, Cook Islands, Papua New Guinea, Samoa, Solomon Islands, Tonga, Federated States of Micronesia, Fiji	11
South America	Argentina, Bolivia, Venezuela, Guyana, Peru, Suriname, Uruguay, Chile, Ecuador	9
North America	Antigua and Barbuda, Barbados, Grenada, Dominica, Dominican Republic, Costa Rica, Cuba, Nicaragua, Panama, El Salvador, Trinidad and Tobago, Jamaica	12
Compiled according to: The Belt and Road. Available at: https://rus.yidaiyilu.gov.cn/document/issue/87094.htm		

As of January 2023, China has signed more than 200 documents on cooperation with 151 countries and 32 international organizations for the implementation of The Belt and Road Initiative in the fields of investment, trade, finance, science and technology, social and humanitarian sciences and human life support. Among the participants are 52 countries in Africa, 40 countries in Asia, 27 European countries, 11 countries in Oceania, as well as 9 countries in South America and 12 countries in North America (*Table*).

1. The Belt and Road Initiative corresponds to the trends of multipolarity, economic globalization, cultural diversification and social informatization in the world, proclaims open regional cooperation, a global system of free trade and an open world economy. Supporting economic globalization and regional economic integration within the framework of the strategy, China is improving cooperation mechanisms with ASEAN, the Shanghai Cooperation Organization, the BRICS

countries, the five countries of Central Asia, Central and Eastern Europe, the African Union, the Gulf Cooperation Council and the Community of Latin American and Caribbean States. On January 1, 2022, the Agreement on a Regional Comprehensive Partnership between 15 States entered into force, which is the largest international free trade agreement and a serious incentive for regional and global economic growth (Yuan Xi et al., 2023).

2. By the end of 2021, China has established working groups on trade facilitation with 17 countries, working groups on investment cooperation with 46 states and regions, developed bilateral cooperation mechanisms on e-business with 23 countries and cooperation mechanisms in the field of trade in services with 14 countries.

Since 2016, China has signed a memorandum of understanding on e-commerce cooperation and established bilateral e-commerce cooperation mechanisms with a number of countries located on five continents, turning Silk Road e-commerce into

a new channel and a new direction of economic and trade cooperation. As of March 2023, the number of partner countries with which China has established bilateral cooperation mechanisms in the field of e-commerce has increased to 29².

In 2022, China signed 31 investment memoranda on cooperation with relevant countries in the field of “green” development, digital economy and blue economy, expanding the space for cooperation within the framework of The Belt and Road. China has also signed documents on cooperation in third-country markets with 14 countries, including France, Japan, Italy and the UK³. At the same time, it is assumed that the enterprises of China and other countries will complement each other, receiving mutual benefits, and jointly contribute to industrial development, improving infrastructure and living conditions of the population of third countries, achieving the effect of 1+1+1 >3.

3. The goals of The Belt and Road strategy are also consistent with the mechanisms of global and regional cooperation presented in the UN 2030 Agenda, the Master Plan on ASEAN Connectivity 2025, the African Union Agenda 2063, to promote overall global development and support the process of regional economic integration. On July 10, 2015, the Ufa Declaration by the Heads of Member States of the Shanghai Cooperation Organization was published, supporting China’s initiative to create the Silk Road Economic Belt⁴. On March 17, 2016, the UN Security Council unanimously adopted Resolution 2344, calling on the international community to strengthen regional economic cooperation through the development of

the Silk Road Economic Belt and the 21st Century Maritime Silk Road⁵.

Strengthening the connectivity of infrastructure and increasing the level of interconnectedness

The development of infrastructure connectivity is a priority area of The Belt and Road strategy. Its goal is to boost infrastructure development, improve connectivity in the field of transport, transportation, electricity and communications, and promote intraregional trade and investment. It stimulates interregional flows and optimizes the allocation of resources and opportunities; establishes mutually beneficial cooperation of countries for joint development.

1. According to the report on China’s trade and investment development in 2022 published by the Institute of International Trade and Economic Cooperation under the Ministry of Commerce of the People’s Republic of China, since the launch of The Belt and Road Initiative in 2013, the amount of new contracts signed by China for projects in countries along the route has increased from 71.57 billion USD in 2013, to 134.04 billion USD in 2021, i.e. the annual growth rate was 8.2%. The completed turnover increased from 65.40 billion USD in 2013 to 89.68 billion USD in 2021; the average annual growth rate was 4.0%.

Due to the consequences of the global COVID-19 pandemic, the number of new contracts signed and the turnover of Chinese enterprises in countries located along The Belt and Road has decreased. The share of newly signed contracts and trade turnover amounted to 51.9 and 57.9%, respectively, of the total business volume for China’s foreign contract projects. As we can see, their share remained above 50%. The number of construction projects carried out by Chinese companies has increased.

² Ministry of Commerce of the People’s Republic of China: The Belt and Road – economic and trade cooperation takes new steps. Available at: <http://fec.mofcom.gov.cn/article/fwydyl/zgzx/202302/20230203384784.shtml>

³ China has signed documents on cooperation in third-country markets with 14 countries. Available at: <http://russian.people.com.cn/n3/2019/0909/c31518-9613295.html>

⁴ Ufa Declaration by the Heads of Member States of the Shanghai Cooperation Organization. Available at: <http://rus.sectso.org/documents/20150710/49075.html>

⁵ The UN Security Council calls for the creation of a community with a common destiny for all humankind. Available at: <https://rus.yidaiyilu.gov.cn/ydyl/event/37074.htm>

2. In accordance with the basic principle of “six corridors, six routes, and multiple countries and ports”⁶ within the framework of The Belt and Road project, international transport channels continue to expand, the level of global connectivity increases, the stability of global supply chains is ensured, the ordering of flows and the optimal distribution of resources between regions improves.

Over the past 10 years, the Sino-European railway has been formed, helping the countries along the route to establish interconnection and mutually beneficial cooperation. During the COVID-19 pandemic, it became a “lifeline” for the whole world, helping to unite the efforts of countries in the fight against the epidemic.

3. Thanks to the joint efforts of all countries, a comprehensive, multi-level and multidimensional infrastructure network with railways, highways, shipping, aviation, pipelines and integrated spatial information networks is being formed at a faster pace. Interregional transaction costs for commodities, capital, information and technology have been significantly reduced, which effectively contributes to the optimal distribution of interregional resources, the achievement of mutually beneficial cooperation and development.

Cooperation in the field of maritime transport.

The maritime transport system in China continues

⁶ In accordance with the important points of cooperation and the spatial location of joint construction objects within The Belt and Road, China proposed a framework of cooperation “six corridors, six routes, and multiple countries and ports”.

Six corridors are six major international economic cooperation corridors, including the new Eurasian Continental Bridge, China–Mongolia–Russia, China–Central Asia–West Asia, China–Indochina, China–Pakistan and Bangladesh – China–India–Myanmar.

Six routes are railways, highways, waterways, airways, pipelines and a comprehensive information network. This is the main content of the interconnection and interaction of infrastructures.

Multiple countries are countries with which China has already started cooperation.

Multiple ports are various cooperating ports that provide safe and unhindered sea transportation along major sea transport routes.

to improve, international sea routes lead to major ports in more than 100 countries and regions, which makes China the leading country in the world in terms of maritime transport links. China has signed 38 bilateral and regional maritime transport agreements with 47 countries located along The Belt and Road route.

Cooperation in the field of air transport.

Currently, there are 254 transport airports in China. China has signed bilateral intergovernmental agreements on air transportation with 126 countries and regions of the world, expanded the openness of airspace within the framework of cooperation programs with Luxembourg, Russia, Armenia, Indonesia, Cambodia, Bangladesh, Israel, Mongolia, Malaysia, Egypt, etc. Over the past five years, China and the countries located along The Belt and Road route have additionally opened 1,239 international airlines, which is 69.1% of the total number of new international airlines.

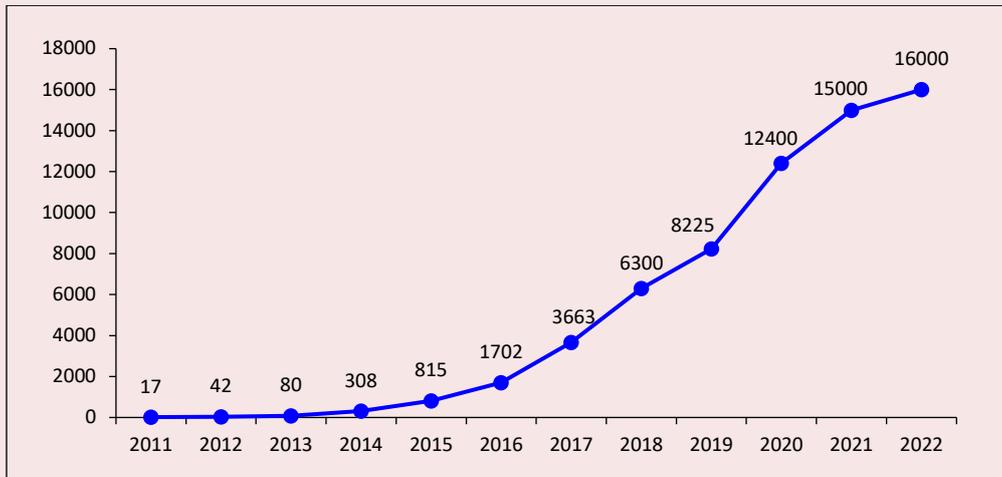
Cooperation in the field of railway transportation.

As an important part of The Belt and Road Initiative, the China–Europe Railway is a key aspect of national development planning and an important measure to deepen mutually beneficial cooperation at the international level. According to China Railway Group Limited, the number of Chinese–European railways has grown from 80 in 2013 to 16,000 in 2022 (*Figure*), while they reach 208 cities in about 25 European countries.

Strengthening uninterrupted trade flows and expanding economic, trade and investment cooperation

An important direction of The Belt and Road strategy is to ensure uninterrupted trade. The implementation of the project contributed to the liberalization and simplification of trade and investment procedures in the countries and regions located along the specified route, reducing the costs of concluding and servicing transactions and conducting economic activities, freeing up

Number of Chinese-European railways in 2011–2022



Compiled according to: China Railway Group Limited.

development potential, allowing all interested countries to participate at a deeper level in the process of economic globalization.

1. Over the past ten years, the scale of trade within The Belt and Road Initiative has been constantly expanding. From 2013 to 2022, the volume of trade in goods between China and countries and regions along The Belt and Road Initiative increased from 1.04 to 2.07 trillion USD, with an average annual growth rate of 8%; the share of China's imports and exports to these countries and regions in China's total foreign trade increased significantly: from 25% in 2013 to 32.9% in 2022⁷. Chinese Foreign Ministry spokesman Mao Ning noted that as The Belt and Road continues to develop, more and more high-quality cooperation projects will bring development results and benefits for people's livelihoods, opening up new opportunities for the common prosperity of all countries⁸.

⁷ Ministry of Commerce of the People's Republic of China. Available at: <http://www.mofcom.gov.cn/article/xwfb/xwzfbh/202303/20230303394394.shtml>

⁸ Chinese Foreign Ministry spokesman Mao Ning holds another press conference on March 10, 2023. Available at: https://www.fmprc.gov.cn/web/fyrbt_673021/jzhsl_673025/202303/t20230310_11039036.shtml

Qi Xin, director of the Belt and Road Research Institute of the Academy of International Trade and Economic Cooperation under the Ministry of Commerce of the People's Republic of China, said that since 2022, against the background of repeated outbreaks of COVID-19 and the slow recovery of the global economy, The Belt and Road Initiative has made significant progress, withstood severe tests and demonstrated high stability. The constant growth of China's trade and investment cooperation with the participating countries not only effectively contributes to the establishment of a new development model, but also serves as a stabilizer for the recovery of the global economy⁹.

According to the General Customs Administration of China, the annual volume of trade between China and countries located along The Belt and Road in 2021–2022 increased from 1.8 to 2.1 trillion USD, that is, by 16.7%. According to the Ministry of Commerce of China, in 2022 Chinese enterprises invested 141.05 billion yuan of direct nonfinancial investments in countries along The Belt and Road route, which is 7.7% more than in

⁹ The Belt and Road. Available at: <https://www.yidaiyilu.gov.cn/p/314721.html>

2021 (equivalent to 20.97 billion USD, an increase of 3.3%). This is 17.9% of the total investment volume, which corresponds to the indicator of the same period last year, mainly in Singapore, Indonesia, Malaysia, Thailand, Vietnam, Pakistan, the United Arab Emirates, Cambodia, Serbia and Bangladesh. From January to February 2023, this figure was 27.53 billion yuan, an increase of 37.1% (equivalent to 4.04 billion USD, an increase of 27.8% year-on-year) and amounting to 20.2% of the total for the same period¹⁰.

2. New business models and industries, such as cross-border e-business and foreign warehouses, are becoming an important driving force promoting uninterrupted trade. They make full use of digitalization to unlock trade potential, enrich and expand international cooperation within the framework of The Belt and Road Initiative.

According to the General Customs Administration of China, the share of cross-border e-commerce in China's foreign trade has increased from less than 1% in 2015 to 5% by 2022¹¹. In the first quarter of 2022, China's cross-border e-commerce exports to countries along The Belt and Road increased by 92.7%. At the end of 2021, there were more than two thousand foreign warehouses for Chinese goods with a total area of more than 16 million square meters in the world.

3. By the end of 2022, China has signed 1,919 free trade agreements with 26 countries and regions, with free trade partners located in Asia, Oceania, Latin America, Europe and Africa.

Customs cooperation between China and the countries located along The Belt and Road is constantly expanding. The efficiency of customs clearance of imports and exports increases, and costs decrease. In 2022, the duration of customs clearance of goods imported to China and exported

from the country amounted to 32.02 and 1.03 hours, respectively, which is 67.1 and 91.6% less than in 2017. To date, the Customs Administration of China has signed agreements on mutual recognition of the authorized economic operator (AEO) with 35 countries (regions) participating in the implementation of The Belt and Road strategy.

According to the World Bank estimates, if all transport links proposed under The Belt and Road scheme are completed, an annual increase of 1.6 trillion USD will be received by 2030, which will amount to 1.3% of world GDP. In the period from 2015 to 2030, about 7.6 million people will come out of extreme poverty, and 32 million will come out of moderate poverty¹².

Expanding capital flows and creating a more efficient financial system

The free movement of capital is the most important support and basis for the joint construction of The Belt and Road. The key task in this direction is to improve the investment and financial environment in the regions by strengthening financial cooperation, expanding monetary circulation, expanding currency swaps and jointly promoting the development of the Asian Investment Bank.

Over the past ten years, China has actively engaged in financial cooperation with countries along The Belt and Road, contributing to the creation of a multi-level system of financial services and providing a variety of financial support and services. The Center for the Development of the Potential of China and the International Monetary Fund has been established to support the optimization of the macroeconomic and financial base of The Belt and Road countries. Also, the Asian Infrastructure Investment Bank, the Silk Road Fund and other multilateral institutions of financial cooperation were established to provide investment and financial support and develop interconnections.

¹⁰ China Business News Network. Available at: <https://baijiahao.baidu.com/s?id=1761851007092062626&wfr=spider&for=pc>

¹¹ Chinese Government Network. Available at: https://www.gov.cn/xinwen/2022-10/13/content_5717999.htm

¹² The Belt and Road. Available at: <https://www.yidaiyilu.gov.cn/p/268357.html>

1. By the end of 2022, the governments of 29 countries, including China, have approved the principles of The Belt and Road financing aimed at more efficient use of government and market forces, encouraging the participation of countries, international organizations, financial institutions and investors, building a long-term, stable, sustainable and controlled diversified financing system¹³. By the end of 2022, 44 signatories and 14 supporting institutions from 17 countries and regions participated in the implementation of The Belt and Road green investment principles, while participating institutions continue to make efforts to expand green investments in emerging markets.

2. The Asian Infrastructure Investment Bank (AIIB), the Silk Road Fund, the China-Africa Development Fund, the New BRICS Development Bank, the SCO Development Bank and a number of other financial institutions are developing rapidly.

Since its establishment in 2015, the number of founding members of AIIB, the first multilateral development bank initiated by China, has increased from 57 to 106. AIIB currently covers six continents, 81% of the world's population and 65% of GDP, making it the world's second largest international multilateral development institution with fewer members than the World Bank. From 2016 to 2022, AIIB approved 202 projects in 33 countries with a total funding of more than 38.8 billion US dollars and attracted capital of almost 130 billion US dollars, including sustainable infrastructure construction and restoration of the "green" economy of the member countries in the fields of energy, transport, water supply, communications, education, healthcare, etc.

The Silk Road Fund was established in December 2014 in Beijing with the aim of supporting and developing trade and economic

cooperation within the framework of the Silk Road Economic Belt and Maritime Silk Road concept through medium- and long-term investments in the countries. According to the official website of the Silk Road Fund¹⁴, by the end of 2022, more than 60 projects with equity investments have been signed, with an investment volume of more than 20 billion US dollars, of which 70% is invested in countries located along The Belt and Road route.

Since its establishment in 2007, the China-Africa Development Fund has invested in a total of 110 projects in 37 African countries.

3. Over the past decade, the steady growth of economic, trade and investment cooperation between China and countries along The Belt and Road has accelerated the internationalization of the yuan, which has steadily increased its functions as a payment currency, investment and financing currency, as well as a reserve currency, gradually strengthening its role as an exchange currency.

By the end of July 2022, China has signed bilateral currency swap agreements with more than 20 countries, as well as clearing agreements in yuan in more than 10 countries of The Belt and Road. The volume of business and the impact of the system of cross-border interbank payments in yuan (CIPS) is steadily growing. As of the end of March 2023, CIPS has 1,427 participants (79 direct and 1,348 indirect participants) from 106 countries and regions. Among them are 965 from Asia, 185 from Europe, 46 from Africa, 23 from Oceania, 29 from North America and 17 from South America.

According to the Society for Worldwide Interbank Financial Telecommunications, from 2013 to 2022, the yuan's share in international payments increased from 0.63 to 2.15%, and in the global currency ranking it rose from 15th to 5th place after the US dollar, euro, pound sterling and Japanese yen. In May 2022, the International Monetary Fund increased the weight of the yuan

¹³ A series of reports on the achievements of economic and social development after the 18th National Congress of the Party. State Statistical Office of the People's Republic of China. Available at: http://www.gov.cn/xinwen/2022-10/09/content_5716806.htm

¹⁴ Official website of the Silk Road Fund. Available at: <http://www.silkroadfund.com.cn/cnweb/>

to 12.28% (from 10.92% in 2016). This reflects recognition of the increased degree of freedom to use the yuan¹⁵.

Promoting contacts between peoples

The rapprochement of peoples is the humanitarian basis for the joint construction of The Belt and Road through the development of cultural exchanges, cooperation in the field of education, strengthening understanding and friendship between peoples.

Against the background of profound and complex changes in the international and domestic political and economic environment, China has always adhered to the concept of justice and benefit, deepened international development cooperation in the construction of The Belt and Road, actively provided assistance abroad, made a positive contribution to promoting the implementation of the UN 2030 Sustainable Development Goals and the joint development of humankind.

1. China has established a government scholarship within the framework of The Belt and Road Initiative, signed an agreement on the mutual recognition of educational qualifications and academic degrees and diplomas of higher education with 24 countries located along The Belt and Road. At present, 153 Confucius Institutes and 149 Confucius classes have been opened in 54 countries¹⁶.

2. Following the COVID-19 outbreak, guided by the vision of a community that cares about public health, China launched the longest and largest humanitarian relief operation since the founding of the People's Republic of China. China's achievements in coordinating epidemic prevention and control with economic development have

been recognized by the international community. China, together with 31 partners, launched a vaccine initiative within the framework of The Belt and Road project; actively provided assistance and led international cooperation in the fight against COVID-19. In 2020, China provided 150 countries and 13 international organizations with more than 4 billion sets of protective clothing and more than 6 billion sets of PCR tests, about 350 billion protective masks and other materials for epidemic prevention, and also sent 37 groups of medical experts to 34 countries.

By the end of 2021, China has provided more than 2 billion doses of coronavirus vaccines to more than 120 countries and international organizations. A significant part of these doses was intended for countries located along The Belt and Road route. The joint fight against the epidemic has enriched international cooperation within the framework of The Belt and Road Initiative and strengthened friendship between the countries.

3. After holding the First Forum on International Cooperation within the framework of The Belt and Road Initiative, China signed 56 agreements on promoting cooperation in the field of health with various countries, including Mongolia and Afghanistan, as well as with international organizations such as the World Health Organization and some nongovernmental organizations. China also provided 2 billion yuan in emergency food aid to developing countries located along The Belt and Road, increased investments in the South-South Cooperation Assistance Fund by 1 billion US dollars, implemented 100 projects to build "happy homes", 100 projects to help the poor, 100 projects to provide medical assistance to patients for the restoration of health and rehabilitation¹⁷.

¹⁵ Report on the internationalization of the yuan in 2022. Available at: https://www.gov.cn/xinwen/2022-09/24/content_5711660.htm

¹⁶ The initiative of joint construction of The Belt and Road: Progress, contribution and prospects. Available at: <https://rus.yidaiyilu.gov.cn/document/issue/87094.htm>

¹⁷ The initiative of joint construction of The Belt and Road: Progress, contribution and prospects. Available at: <https://rus.yidaiyilu.gov.cn/document/issue/87094.htm>

4. China and the countries located along The Belt and Road route have close ties in the field of tourism. The Year of Tourism was held, the mechanisms of tourism cooperation were created, such as the International Union for the Promotion of Tourism Growth on the Silk Road, the International Union for the Promotion of Tourism on the Maritime Silk Road, the International Tourism Union of the Great Tea Road. China has signed an agreement on visa-free regime applicable to various citizens and holders of various types of passports with 57 countries, has reached an agreement on 19 documents on simplifying visa procedures with 15 countries.

According to the special report on tourism “The Belt and Road” published by the Chinese Academy of Tourism, the countries located along the route in 2017 received revenue from international tourism in the amount of 385.1 billion US dollars, 30.82% – tourists from mainland China. In addition, tourism provides 5.36% of direct employment and 14.11% of total employment in the tourism sector in the countries along The Belt and Road route, which significantly reduces unemployment and poverty. In 2018, 150 million Chinese tourists visited abroad, and 30.54 million foreign tourists visited China. Russia, Myanmar, Vietnam, Mongolia, Malaysia, the Philippines, Singapore and other countries have become the most popular destinations for Chinese tourists.

Opportunities and challenges in the process of promoting The Belt and Road Initiative in China

The world is currently undergoing unprecedented changes. Due to the COVID-19 pandemic, the world economy has become more vulnerable, geopolitical tensions have increased, global governance has been seriously weakened, and numerous crises, such as food and energy, overlap. The international situation is creating increasingly difficult conditions for the implementation of The Belt and Road Initiative.

The *serious challenges* faced by cooperation within the framework of The Belt and Road strategy are related to the following aspects.

Growing global economic risks increase uncertainty in the framework of cooperation. In the World Bank’s World Economic Outlook report, published on January 10, 2023, the world economic growth forecast for 2023 was revised downward to 1.7%, which is 1.3 percentage points less than in the forecast made in June last year, and is one of the lowest growth rates in almost 30 years (only the 2020 figures were even lower due to COVID-19 and the 2009 figures due to the international financial crisis)¹⁸. Aggressive tightening of monetary policy, worsening financial conditions, falling confidence and widespread shortage of energy resources have led to a sharp decline in global growth forecasts. Overall inflation in emerging and developing economies is currently over 9.4%, the highest since 2008; inflation in advanced economies is 6.9%, the highest since 1982.

In October 2022, the World Bank warned that 25% of emerging market countries are in or close to a debt crisis, and more than 60% of low-income countries are in a debt crisis. Emerging and developing countries such as Sri Lanka, Pakistan, Lebanon, Turkey, Egypt, Ghana and Argentina have experienced financial crises caused by increased short-term capital outflows (currency depreciation, increased external debt burden and falling prices of domestic assets)¹⁹. The expected global economic downturn has exacerbated instability and uncertainty within the framework of The Belt and Road Initiative.

Geopolitical conflicts have increased the instability of cooperation. Currently, conflicts continue to affect

¹⁸ National Development and Reform Commission of the People’s Republic of China. Available at: https://www.ndrc.gov.cn/fggz/fgzh/gjzzyjyjd/gjzzyjdt/202301/t20230129_1347419_ext.html

¹⁹ Zhang Ming. Overview of domestic and foreign financial markets for 2022 and prospects for 2023. Round table of the journal *Chinese Currency*. December 12, 2022.

many regions, and exert negative impact on the peaceful environment for cooperation within the framework of The Belt and Road Initiative. The US-led Indo-Pacific Economic Framework (IPEF), which includes a number of Southeast Asian countries²⁰, cannot be underestimated in terms of its negative impact on the development of the strategy.

Under the influence of the conflict between Russia and Ukraine, the attitude of some European countries toward China has changed to a certain extent. As the African region becomes a new hotbed of competition between major world powers, The Belt and Road Initiative will face increasingly fierce competition in this region, especially in areas such as the digital economy, cybersecurity, critical infrastructure and key mineral resources. The risks associated with geopolitical factors have increased significantly, which exacerbates the complexity of development of The Belt and Road strategy.

Despite the existing challenges, **important strategic opportunities** open up for the development of cooperation between the countries within the framework of The Belt and Road Initiative.

1. *Economic recovery of countries after COVID-19 will help accelerate the development of their cooperation.* The epidemic has had a significant impact on the global supply chain and production, so all countries need to restore and improve supply chains and production links as soon as possible, and accelerate the construction of infrastructure, especially transport. Although the global economic downturn cannot be overcome in the short term, the determination and measures taken by national governments to speed up economic recovery after COVID-19 will give impetus to the steady progress of cooperation within the framework of The Belt and Road Initiative.

²⁰ The first 14 members of the Indo-Pacific Economic Framework are the USA, South Korea, Japan, India, Australia, New Zealand, Indonesia, Thailand, Malaysia, the Philippines, Singapore, Vietnam, Brunei and Fiji, which account for about 40% of the world's gross domestic product (GDP).

For example, the Government of Vietnam has approved the Foreign Investment Cooperation Strategy for the 2021–2030 period, which proposes nine specific solutions to improve the effectiveness of cooperation in connection with foreign investment. Cambodia has adopted the Law on Investment of the Kingdom of Cambodia, encouraging investment in 19 industries, including high-tech industries, science and technology innovation parks and the food industry, in order to stimulate the economic development of the country. The President of the Republic of Uzbekistan signed Decree UP-101, dated April 8, 2022 “On the next reforms to create conditions for stable economic growth by improving the business environment and private sector development”, presenting a number of initiatives to stimulate the development of the private sector and improve the business environment. The Philippines has amended the Foreign Investment Act to allow foreign investors to set up businesses in the country (including small and micro businesses) and fully own them.

At the same time, China's supply chains are stable, there is a full production cycle; the economy has huge potential and vitality. Economic and trade cooperation within the framework of The Belt and Road Initiative will continue to play the role of stabilizer of the international production and supply chain and contribute to global economic growth.

2. *There is a potential for international cooperation in the field of ecology, digital technology and healthcare.* In the new conditions, the “green” economy and sustainable development, medicine, including joint response to COVID-19, as well as digital technology and the digital economy are key areas of cooperation within the framework of The Belt and Road.

In the post-epidemic era, China, with a long-term perspective, needs to strive for eco-friendly, inclusive and sustainable development, accelerate the development of new energy industries, environmental protection, reduce carbon emissions,

i.e. build a reliable economic system characterized by eco-friendly, low-carbon and cyclical development. Within the framework of The Belt and Road strategy it is necessary to promote cooperation in key areas such as pollution control, environmental protection, nuclear and radiation safety, and develop science and technology innovations in the field of environmental protection. China should promote international cooperation in combating climate change, take an active part in global environmental governance, promote the “green” recovery of the world economy, and achieve high-quality economic development taking into account the principles of environmental protection and ecology.

3. *The digital economy is the future direction of global development.* China has become the second largest digital economy in the world, and its cooperation with the countries participating in The Belt and Road in the field of digital economy is deepening. The COVID-19 pandemic provoked the development of new technologies, such as 5G, artificial intelligence and smart cities, new types of businesses and platforms, accelerated the development of the “contactless” economy (online shopping, telemedicine, online education, collaboration platforms). The Internet plays an important role in promoting economic recovery, ensuring social functioning and developing international cooperation in the fight against COVID-19. China should seize the opportunity of a new round of technological revolution and industrial transformation, promote digital communication, digital technology innovation, stimulate new drivers of innovation and development, bridge the digital divide and open up new prospects for digital cooperation along The Belt and Road route.

4. *Health is the basis for development and an effective indicator for assessing sustainable development.* Since 2016, when Xi Jinping proposed building the “Silk Road of Health”, China, together with other countries and international

organizations, has been enhancing the coordination of health policy, developing The Belt and Road medical alliance, building foreign centers of Chinese medicine, developing scientific research and health technology. Projects such as the Program for Training Public Health Professionals have been implemented within the framework of China–ASEAN relations and cooperation between China and African countries.

In the post-epidemic era, the need for cooperation in the field of public health has increased significantly, and within the framework of The Belt and Road Initiative new opportunities for international cooperation are opening up. It is necessary to establish more “high-speed” and “green” routes, assist in the supply of anti-epidemic materials to other countries, carry out research, development and production of medicines and vaccines, support the leading role of the World Health Organization in coordinating global epidemic prevention and control, explore the possibilities of creating a regional communication mechanism in emergency situations in the field of public healthcare and promote the creation of a healthcare community for all.

Conclusion

The paper analyzes the results of implementation of The Belt and Road strategy for ten years and considers its main achievements.

China has managed to achieve fruitful results in the construction of The Belt and Road together with the countries along the route. The Belt and Road Initiative contributed to the prosperity of all parties supporting the principles of “joint consultations”, “joint construction” and “sharing the fruits”, common development and progress.

From the point of view of political coordination, China has interacted comprehensively with countries and organizations to form a broad consensus on international cooperation for the joint construction of The Belt and Road. Thanks to the joint efforts of all parties, the

structure of “six corridors, six routes, and multiple countries and ports” has basically been formed, a large number of mutually beneficial projects have been successfully implemented. The level of trade liberalization and simplification is steadily increasing between China and the countries located along The Belt and Road route, and trade methods are being continuously improved, so trade relations have reached a new level. Financial cooperation is developing rapidly, a multi-level system of financial services has been created. From the point of view of the rapprochement of peoples, the countries engage in various forms of cooperation in the field of culture, education, tourism and scientific and technological innovation.

British historian P. Frankopan in the book *The Silk Road. A New History of the World* noted: “The spirit of the Silk Road, which once helped shape the world of the past, will continue to shape the world today and tomorrow” (Frankopan, 2015).

After ten years of joint efforts, The Belt and Road Initiative has become the largest platform for international cooperation, making a sustainable,

progressive and significant contribution to the recovery of the world economy. Currently, armed conflicts, extreme weather conditions and prolonged epidemics have increased uncertainty and instability within the framework of cooperation, but have not undermined the aspirations of people in the countries that are jointly building The Belt and Road for a better life.

The more difficult the situation, the better it can show the true meaning of “joint consultations”, “joint construction” and “sharing the fruits”; the need for high standards, improving the welfare of the people and sustainable development as goals for promoting the joint implementation of The Belt and Road strategy.

Chinese President Xi Jinping said that in 2023 China will host the third international forum within the framework of The Belt and Road. China will take this opportunity to analyze its experience jointly with the international community and develop a plan for continuously improving the quality of implementation of The Belt and Road strategy.

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Received May 31, 2023.