



# Shanghai Forum 2018 Perspective Highlights

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**The Belt and Road Initiative in Europe- Synergies and Challenges**

**Global Governance 01 Session One**

**13:30-15:00, May 27**

**Chair: Andris Spruds Director, Latvian Institute of International Affairs**

**Moderator: Una Aleksandra Berzina-Cerenkova, Head, New Silk Road Programme, Latvian Institute of International Affairs**

**Nicola Casarini**

**Senior Fellow, Istituto Affari Internazionali**

**Europe's Response to China's 21st Century Maritime Silk Road**

1. Southeast Europe has been the main focus of BRI investments so far, and this entails both economic opportunities and politico-security challenges for the concerned countries.
2. Facing the challenges, the two sides should find common ground, working together to solve issues such as tension of South China Sea and tension in Iran.

**Kim Jin-Young**

**Professor, Department of Political Science and Diplomacy, Pusan National University**

**Three Perspectives of One Belt One Road Initiative**

1. The BRI is designed as an economic strategy to escape from a bottleneck of economic growth. The BRI will provide new investment and consumption markets for large Chinese SOEs. Constructing infrastructure connecting remote regions in Central and South Asia will enhance China's capacity to export manufactured goods to Asia and Europe by reducing transportation costs. Developing natural gas and petroleum in central Asia and transmitting them through pipelines to China are quite essential for the continuous growth of Chinese economy.
2. The BRI seeks dominant influence and power in Eurasia and the Indian Ocean in competition with the US. China started constructing infrastructures in Central Asia and launched the Asia Infrastructure Investment Bank. If AIIB operates successfully, it will contribute to building infrastructures in underdeveloped countries in the region.
3. As a long-term global strategy, the BRI is to promote China to a global leader status. Many leaders of developing countries in Asia and Africa hope to learn from China's economic development experience, while receiving economic assistance and investment from China. By promoting BRI over Asia, Africa and Europe, the influence of the Chinese development model and Beijing Consensus will increase.

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**Katarina Brockova**  
**Associate Professor,**  
**School of**  
**International**  
**Relations, University**  
**of Economics in**  
**Bratislava, Slovakia**

## **The New Era of China-EU Investment Protection**

1. Most BITs between China and EU are first generation BITs concluded in 1980s and 1990s and face the shortcomings of limited scope of investment protection, vague provisions and investment protection standards, and limited access to third party international investment arbitration.
2. EU and China have launched negotiations on the new EU-China comprehensive agreement on investment, which provides an opportunity to set forth new rules addressing the most pressing issues of mutual investment relations, promotes reciprocity fair competition, and improve investment conditions for EU and Chinese investors by creating investment rights and non-discrimination, transparency, licensing and authorization procedures.
3. The ultimate goal is to pursue more clarity, transparency and fairness in reciprocal rights and obligations, and also balanced rights and obligations for both investors and investees.

**Liu Zuokui**  
**Director, Senior**  
**Research Fellow,**  
**Department of**  
**Central and Eastern**  
**European Studies,**  
**Institute of European**  
**Studies, CASS**

## **The “16+1” Cooperation and the Belt and Road Initiative**

1. There have been striking achievements and serious troubles between China and Europe in the past five years.
2. The most important achievements are investment and cultural exchanges.
3. The major trouble and challenges are trade and financial issues, including the amount of the trade, trade deficit, market demand, and regulations from the EU.

**Nargis Kassenova**  
**Professor, Director,**  
**China and Central**  
**Asia Studies Center,**  
**KIMEP University**

## **Beyond Connectivity Toward Better Governance: BRI in Europe and Central Asia**

1. BRI created major opportunities for European and Central Asian countries. It can foster better connectivity and economic development.
2. Upon consideration of the long-term interests, the participants of the initiative need to elaborate better governance regimes for investments and projects. The upcoming EU strategy for connectivity in Eurasia is aimed at the promotion of principles of transparency, environmental and social standards.
3. Poor governance in Central Asian states impedes both Chinese and European investments and eventually would result in the destabilization in the region. The dynamism of various economic, political and social processes created by the BRI might fasten this trend, unless parties start addressing these challenges now.

(Editor: Xuan Gong, Pan Jie)



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**The Belt and Road Initiative in Europe- Synergies and Challenges**

**Global Governance 01 Session Two**

**15:30-17:00, May 27**

**Chair: Andris Spruds Director, Latvian Institute of International Affairs**

**Moderator: Una Aleksandra Berzina-Cerenkova, Head, New Silk Road Programme, Latvian Institute of International Affairs**

**Song Lilei**  
**Associate**  
**Professor,**  
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**Europe Studies ,**  
**Tongji University**

**The Advancing of EU-Japan Strategic Relations and it's Impact on China's Belt and Road Initiative**

1. The EU and Japan share many similar core values and China need to be 'tamed' by Western norms and values. The EU and Japan cooperate to promote their values in Asia.
2. In the security realm, Japan and the EU consider all kinds of actions that seek to safeguard China's sovereignty in the South and the East China Sea as a challenge to the existing international order.
3. With regards to economic cooperation, China has become one of the most important economic partners for both Europe and Japan.
4. There would be a gap between Japan's and Europe's approach to China's rise by building a two-track strategy framework of SPA and EPA, but it constitutes "one body and two wings" cooperation model.

**Maximilian Mayer**  
**Research**  
**Professor, Tongji**  
**University**

**The Soft Underbelly of the BRI: Knowledge, Ideology, and Institutionalization**

1. The three elements, knowledge, ideology and institutionalization, are more crucial than trade, geopolitics or the success and sustainability of the BRI.
2. More comprehensive knowledge system. The BRI requires massive knowledge production, especially the relationship between China and the other countries. More academic research is required, which provides a huge chance for cooperation on the level of knowledge system between Europe and China.
3. Ideological contradictions. Europeans are anxious about whether China will promote its universal value in the future. Culture has just been seen as a mere performance for China, and this hinders cross-cultural diversities and mutual understandings.
4. Rituals and institutionalization. We should consider clearly what the next step is, and how to move the BRI further. The BRI should be seen in connection with motivation of the Chinese leadership. Culturally seen, the BRI is more about symbolic meaning rather than substance, thus it is difficult to find a procedure which is understandable to Europe experiences and political principles.

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**Una Aleksandra**

**Berzina-Cerenkova**  
**Head, New Silk**  
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**International**  
**Affairs**

## **“16+1” Transition into BRI - the Baltic Perspective**

1. “16+1” has benefited community building, normative aspects, economic relations and trade facilitation, political relations and people-to-people communication.
2. The goals of cooperation with China should remain the same – transport logistics, export increase, e-governance, people-to-people communication through brand building.
3. Uncertainty remains in the Baltic states as to how China will manage the two overlapping formats, namely, the “16+1” and the BRI, however, regardless of the possible format transition, the Baltic states lack visibility and look forward for pragmatic cooperation.

**Dragan Pavlicevic**  
**Lecturer,**  
**Department of**  
**China Studies,**  
**Xian**  
**Jiaotong-Liverpool**  
**University in**  
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## **Debating BRI and China's Influence: A Case of Central and Eastern Europe**

1. What impact will an internationally more ambitious and proactive China have on global geopolitical and geo-economic landscape as well the choices and trajectories of individual countries across the world has been at the center of the debates about the BRI.
2. European countries assume that China is rapidly growing its international influence on the back of BRI, while simultaneously exacerbating existing and creating new challenges for global governance by ‘operating’ internationally through a distinct model which falls short of best practices and standards.
3. European countries should not scrutinize China, avoid interacting with China, or diverge from China. We should carry out more analysis of China and do more research and investigation, otherwise we will face negative consequences.

## **DISCUSSION**

1. Elaborate on how “16+1” has given the countries an unprecedented opportunity for people-to-people communication. “16+1” involves countries that have little interaction, and all the members look forward to be engaging with China. Through China, we have communication in terms on economics.
2. How to make the BRI from unilateral to multilateral, and how to make people think China Dream is everybody’s dream? Bilateral is the foundation, and multilateral is the supplementary. The BRI is in making, and we will listen to different voices to make it perfect. The BRI is very open and flexible. China is learning how to engage with the rest of the world.
3. The security aspect of the BRI, especially the military of maritime, and the issue of South China Sea. About the security question, no security dimension is involved in the BRI yet, but something needs to be developed

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for joint interest, and there could be collaborative strength in the future.

4. Taking Asian overlapping membership perspective, “16+1” divided Europe and weakened European identities, why should Europe accept this?
5. Data management, especially the privacy issue in e-governance
6. The role of Russia in the BRI
7. Why some countries, like Germany, are absent from the BRI?

(Editor: Xuan Gong, Pan Jie)