

**China's Belt and Road Initiatives and Its Profound
Positive Impact on the Regional Economic Cooperation**

中国“一带一路”战略及其对区域经济合作的深刻影响

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Part I. Main Content and Latest Progress of China's Belt and Road Initiative

Sketch Map of the Belt and Road

Silk Road Economic Belt and Maritime Silk Road in the making



China's Belt and Road Initiative——Key Words

1. Main Content

The Belt and Road derives from China and runs through central Asia, East Asia, South Asia, West Asia and even some parts of Europe, connecting the vibrant East Asia economic circle in the east and developed European economic circle in the west, and encompassing countries with huge potential for economic development. Its coverage area has 4.4 billion people, accounting for 63% of the world. And its economy occupies 29% of the world at \$21 trillion.

China's Belt and Road Initiative——Key Words

2. Frame structure

Supporting Points: Core Cities and Major Sea Ports
along the Belt and Road

Major Economic Corridors:

- New Eurasian Land Bridge
- China — Mongolia — Russia
- China — Central Asia — West Asia
- China — Indo-china Peninsula
- China — Pakistan
- Bangladesh — China — India — Myanmar

Cooperation Platforms: Economic Industrial Parks

China's Belt and Road Initiative——Key Words

3. Cooperation Priorities

- Policy Coordination; Facilities Connectivity; unimpeded Trade; Financial Integration; People-to-people Bonds.
- Facilities Connectivity:
 - Transport Infrastructure including Roads, High-speed railways, Aviation, Ports and so on;
 - Internet and communication Infrastructure;
 - Energy Infrastructure including oil and Gas pipelines, Power Supply Networks and Power-Transmission Routes and so on.

China's Belt and Road Initiative——Key Words

4. International Background

- The world economy got into the“ new mediocre” , needing urgently new locomotive to carry the world economy.
- The trend of deepening globalization has not been changed and cooperating for a win-win situation is still the mainstream of the world development.
- China's Belt and Road initiative benefits the flow of factors orderly and freely , allocate resources efficiently and integrate markets deeply.

China's Belt and Road Initiative——Key Words

5. Integration of Domestic Regions

- “Belt and Road” completely changes China's existing development pattern.
- It will change the pattern of China's regional development to lay more stress on interconnection and interworking within provinces; industrial acceptance and transfer. It will accelerate China's economic transformation and upgrading.

China's Belt and Road Initiative——Key Words

6. Overall Opening-up

- The Belt and Road has become China's most important national strategy in the medium and long term.
- The Belt and Road eventually form a closed loop from sea and land.
- The Belt and Road is conducive to solve the problems China is facing during the process of its opening-up.

China's Belt and Road Initiative——Key Words

7. Financial Support

- Asia Infrastructure Investment Bank (AIIB), Silk Road Fund, BRICS New Development Bank, Shanghai Cooperation Organization(SCO) Development Bank, etc.
- AIIB:
 - The head office locates in Beijing with capital of \$100 billion.
 - On June 29,2015,treasury secretary their authorized representatives from 57 founding countries of AIIB attended the signing ceremony.
 - Recently, China and USA have reached a consensus about AIIB.
- Silk Road Fund: \$40billion; funded by China

China's Belt and Road Initiative——Key Words

8. Maritime Cooperation

- Coastal ports construction; Shipping route development
- Development and construction of related industrial parks in coastal port cities
- Cooperation of Marine Economy, Development of Ocean Industry, and etc.

China's Belt and Road Initiative——Key Words

9. Silk Road Spirit

- Openness and Inclusiveness: It covers, but is not limited to, the area of the ancient Silk Road.
- Jointly built through consultation to meet the interests of all.
- Mutual Benefit: It accommodates the interests and concerns of all parties involved, and seeks a conjunction of interests and the “biggest common denominator” for cooperation.

China's Belt and Road Initiative——Key Words

10. The Latest Progress

- China's Belt and Road Initiative begins to enter the practical stage of cooperation from the concept design, the overall framework and the strategic planning.
- The relevant government departments of China are planning for the development of key projects related to the Belt and Road according to “the 13th five-year plan”.
- At the national level, more than 900 key projects are expected to start. local governments and enterprises are promoting nearly 200 international cooperation projects.
- During the 13th five-year-plan, the Belt and Road Initiative is expected to make obviously substantial progress.

Part II. China's Belt and Road Initiative and Regional Economic Cooperation of Northeast Asia

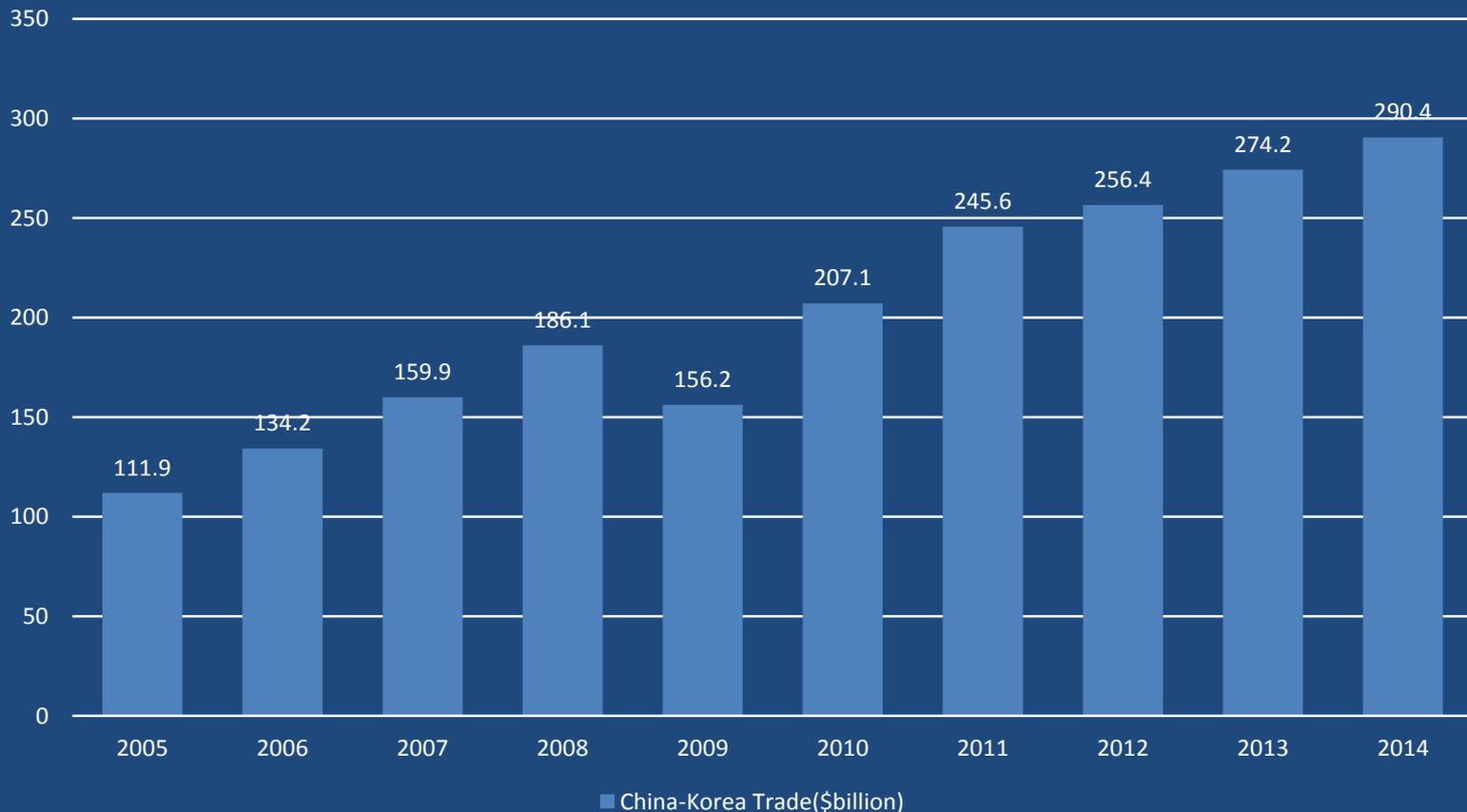
1. Belt and Road Initiative and

Regional Economic Development of Northeast Asia

- The Belt and Road initiative also covers the development of some parts of Europe and East Asia. So Northeast Asia is the important carrier of the Belt and Road initiative.
- 2 supporting points
 - one is the support of the relevant regions in China;
 - the other is the support of the development of East Asia, especially Northeast Asia.
- Belt and Road initiative has a very close relationship with the new round of cooperation and development of the Northeast Asia region. The economic and trade cooperation between China and Korea is especially important.

Part II. China's Belt and Road Initiative and Regional Economic Cooperation of Northeast Asia

Total value of imports & exports(\$billion), China--Korea



Data: National Bureau of Statistics of China

Part II. China's Belt and Road initiative and Regional Economic Cooperation of Northeast Asia

2. Current situation of economic and trade development between China and Korea

- In 2014, trade volume between China and Korea is \$290.4 billion. China is Korea's largest trading partner, largest export destination, and the largest source of imports. China and Korea trade volume in 2015 is expected to more than \$300 billion and within 5 years to break through \$400 billion.
- In 2014, the China's actual use of investment from Korea is \$3.97 billion; while the direct investment from China to Korea is only \$270 million.

Part II. China's Belt and Road initiative and Regional Economic Cooperation of Northeast Asia

China-Korea Free Trade Agreement

- On June 1, 2015, China and Korea signed a free trade agreement formally.
- China-Korea free trade agreement is the largest trade agreement China has signed which covers topics the most widely and involves the largest trade volume.
- China and Korea have taken Weihai city, Shandong province, and Korea Incheon free economic zone as China-Korea FTA model cooperation areas.

Part II. China's Belt and Road initiative and Regional Economic Cooperation of Northeast Asia

Docking between China's "Belt and Road" and Korea's "Eurasian Initiative"

- Korea's Eurasian Initiative aims to expand foreign trade through economic cooperation among the Eurasian countries. The Belt and Road has many common characteristics with Eurasian Initiative.
- With dock and integration between belt and road and Eurasian Initiative, if we can make full use the free trade zone between two countries, and set common goals, it will promote the optimization of the industrial structure of the two countries, comprehensively improve the level of economic and trade cooperation between China and Korea, and promote the integration of the Eurasian economy.

Part II. China's Belt and Road initiative and Regional Economic Cooperation of Northeast Asia

3. Opportunities for Korea Provided by China's Belt and Road Initiative

- The opening of Eurasian Continental Bridge will provide great convenience for Korean to transport products to Europe.
- The connectivity project such as expansion of international air lines and construction of sea-land combined transportation will provide new opportunities for cooperation between China and Korea.
- Countries along the Silk Road Economic Belt can provide Korea with abundant investment opportunities. As a result, they can achieve mutually beneficial win-win results.
- Sino-Korean enterprise jointly can meet common needs in development of sources and energy sectors and enhance the ability to resist risks.
- The financial needs of the Belt and Road initiative can provide opportunity for financial cooperation between China and Korea.

Part II. China's Belt and Road initiative and Regional Economic Cooperation of Northeast Asia

4. Conclusion

- Therefore, we believe that, by the support of the Belt and Road initiative, Eurasian initiative, Sino-Korean free trade agreement, together with the full use of financial and market resources from China, technological superiority from Korea, and the rich natural resources from the third countries, China and Korea will certainly make great progress in their economic and trade cooperation.
- What's more, it will help achieve mutual benefits and win-win situation with the relevant third countries.
- Finally, the upgrading of Sino-Korea economic and trade cooperation will promote regional economic cooperation and development of Northeast Asia.

THAT'S ALL

THANK YOU!