



# FORUM INTRODUCTION

# International Forum of China and Central and Eastern European Countries Enhanced Connectivity for Common Advancement

Riga, Latvia 4 November 2016

In cooperation with:



Ministry of Foreign Affairs Republic of Latvia

Supported by:











Forum introduction. International Forum of China and Central and Eastern European Countries. Enhanced Connectivity for Common Advancement. Riga, Latvia. 4 November 2016.

ISBN 978-9984-583-86-0 ISBN 978-9984-583-87-7 (pdf)

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# WELCOME ADDRESS BY THE LATVIAN INSTITUTE OF INTERNATIONAL AFFAIRS

Dear participants of the Forum,

On behalf of the Latvian Institute of International Affairs, I have the honor and pleasure to welcome you to Riga, Latvia! The year 2016 has brought China and the China and Central and Eastern European Countries ("16+1") cooperation format to the foreground of the Latvian foreign policy.



It is a perfect opportunity for Latvia to enhance its ties with China and also strengthen cooperation with other countries of the region – from the Black Sea in the East, the Adriatic Sea in the South to the Baltic Sea in the North.

This Forum along with the Business Forum is one of the main side events of the 5<sup>th</sup> Meeting of Heads of Government of Central and Eastern European Countries and China that takes place in Riga on 5 November 2016. With its comprehensive approach, Latvia underlines the value it attaches to enhancing the cooperation at different levels and in different spheres.

The overall success of this cooperative endeavor and regional format can be achieved only as far as the engagement is comprehensive and inclusive: from politicians, entrepreneurs to think-tanks, academia and society at large.

In particular, the Forum will be an opportunity to thoroughly assess the development of the "16+1" format and promote productive engagement and exchange of views among think-tanks and academia from many countries.

Wishing all of us vibrant and fruitful debates,

Prof. Dr. Andris SPRŪDS,

Director of the Latvian Institute of International Affairs

#### WELCOME ADDRESS BY THE CHINA-CEEC THINK TANKS NETWORK OF THE CHINESE ACADEMY OF SOCIAL SCIENCES

Distinguished guests,

It is my great honour to co-open this Forum in which experts from think tanks of China and Central and Eastern European countries come together to discuss collaboration between us.

On the behalf of the China-CEEC Think Tanks Network of the Chinese Academy of



Social Sciences, I would like to extend my sincere welcome and express the best wishes to all the participants and guests!

The 5<sup>th</sup> Meeting of Heads of Government of Central and Eastern European Countries and China will be held in Latvia tomorrow, demonstrating the high commitment of the Latvian Government towards the China and Central and Eastern European Countries ("16+1") cooperation. Latvia, as an important member of the cooperation, has enhanced the exchange and cooperation with China under the "16+1" as well as under the "Belt and Road Initiative".

This Forum will provide a platform for experts for in-depth discussions on the relationship between China and Central and Eastern European Countries, in particular on the ways of promoting the relationship at large as well as bridging interconnectivity of infrastructures, investment, and trade between China and Europe, and enhancing the people-topeople exchanges.

I warmly welcome all the opinions and recommendations expressed by participants to foster the cooperation further!

# Prof. Dr. HUANG Ping,

Secretary General, China-CEEC Think Tanks Network Director General, Institute of European Studies Chinese Academy of Social Sciences (CASS)

#### COOPERATION BETWEEN CHINA AND CENTRAL AND EASTERN EUROPEAN COUNTRIES AS THE BASIS FOR THE FORUM DEBATES

Māris ANDŽĀNS, Latvian Institute of International Affairs LIU Zuokui, Chinese Academy of Social Sciences

Since the establishment of the cooperation format between China and Central and Eastern European Countries ("16+1") in 2012 in Warsaw, Poland, many developments have taken place. The format has expanded and developed in scope and range of activities to comprise all countries of the format – Albania, Bosnia and Herzegovina, Bulgaria, China, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, the former Yugoslav Republic of Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia. Along with the "Belt and Road Initiative" (initially "One Belt One Road" initiative) the "16+1" cooperation format has become one of the main multilateral cooperation platforms between the countries of Europe and China.

Annual summits at the level of heads of states and governments have taken place – in Warsaw in 2012, Bucharest in 2013, Belgrade in 2014, Suzhou in 2015, with the fifth summit set to take place in Riga on 5 November 2016. Summits in their declarations have outlined both progress achieved up to the date and have set future landmarks. However, summits have been only the most visible activities of the "16+1" cooperation format even though the format has included a wide range of activities and meetings in such sectors as cooperation and connectivity, economic and financial issues, agriculture and forestry, science, technology and health, people-to-people contacts and cultural exchanges, cooperation at local governmental level.

Also multiple mechanisms of the "16+1" have been established, most importantly to include the Secretariat for Cooperation between China and Central and Eastern European Countries based in Beijing. Apart from the Secretariat, different mechanisms have been and are developed to cover the chambers of commerce, agricultural cooperation, cooperation of local governments, cooperation of investment promotion agencies, agricultural cooperation, cooperation in energy related projects, cooperation among tourism promotion agencies and businesses, cooperation in logistics, transport and infrastructure, cooperation in forestry, cooperation among think tanks and others. Central and Eastern European countries have taken lead role in some of their priority spheres, for example, Serbia for the cooperation on transport and infrastructure, Latvia on the cooperation on logistics, or Slovenia on the cooperation on forestry.

The "16+1" cooperation platform has therefore served also as basis for enhancing the bilateral cooperation between China and Central and Eastern European Countries. However, here the situation is rather diverse with very different levels of progress and engagement achieved. Even though the levels of trade and investment between China and Central and Eastern European countries have risen since the establishment of the "16+1" cooperation mechanism, these levels are unequal as some countries have a vibrant economic cooperation with China (to include large scale investment and construction projects), whereas some have a very limited level of cooperation, especially when it comes to investment.

Also the commitment to cooperation at the political level has been different – ranging from countries with high interest and commitment to others devoting less attention to the "16+1" cooperation format. It also has to be underlined that the sixteen countries' format is unique in its composition as such composition exists nowhere else. That provides opportunities for cooperation elements and development of relationship among these countries.

At the same time, it presents challenges given the diversity of the countries – including the member states and non-member states of the European Union as well as member states and non-member states of the North Atlantic Treaty Organization (NATO) with the respective implications.

To assess the progress achieved in the "16+1" cooperation format, the Forum will be structured in three panels each of which will address distinctive but complementary issues of the format. **The first panel ""16+1" cooperation format as a bridge between China and the European Union"** will address the status quo of the "16+1" cooperation format and what lessons can be drawn from the deliverables? What are the perspectives of this cooperation format in enhancing cooperation with the European Union? In what fields synergies are possible between the European Union – China Strategic Partnership and the "16+1" cooperation format? Can this format serve as an additional platform for China's engagement with global actors present in the region and the European Union?

The second panel "Trans-European networks and transportation chains in the Europe – Asia context" will address such issues as what is the current state of play in inter-connecting the European Union and connecting it to other regions? How can such external actors as China benefit from further connectivity and how can they aid in increasing the connectivity? What are the prospects of interaction between the European Fund for Strategic Investment and China's "Belt and Road Initiative"? Last but not least, **the third panel ""16+1" peopleto-people cooperation"** will seek answers to such issues as are the people-to-people engagement activities in practice an underpinning or rather an auxiliary element of the "16+1" cooperation format? What are the most productive people-to-people engagement elements up to the date? Can the educational exchange between China and Central and Eastern European Countries become also a noteworthy economic cooperation element?

#### RELATIONSHIP BETWEEN CHINA AND LATVIA – PERSPECTIVE OF LATVIAN POLITICAL SCIENCE STUDENTS

Māris ANDŽĀNS, Latvian Institute of International Affairs LIU Zuokui, Chinese Academy of Social Sciences

To assess the perception of China in Latvia prior to the 5<sup>th</sup> Meeting of Heads of Government of Central and Eastern European Countries and China, a survey among Latvian political science students – the future civil servants, politicians and experts – was carried out in October 2016. Bachelor's, master's and doctoral students from Rīga Stradiņš University, University of Latvia and Vidzeme University of Applied Sciences were asked to provide their opinions related to their perception of China.

From the survey, several conclusions can be drawn. First, the majority of respondents have a limited knowledge of China. Only 5,2 % of them have been to China and the vast majority of the respondents assess their knowledge of China as low or average (altogether – 89,6 %). Only 6,9% assess their knowledge of China at intermediate or expert level. The humble self-assessment of the knowledge is reflected also in the actual knowledge and assessment of the impression of China: one half of the respondents have a neutral impression of China whereas the rest is almost equally distributed between having positive and negative opinion on China.

Among the respondents, the strongest associations with China is the Great Wall, a huge population, socialism and communism, a significant economy and market, pollution, as well as a difficult language and the Tibet issue (all of the mentioned above received recognition above 50% of the respondents). Among the best known Chinese, only two prevail – Confucius and Mao Zedong. Among the best known cities and regions of China, Shanghai ranks first, followed by Tibet and Beijing, whereas other cities and provinces fall far behind in their level of recognition.

When the perception of the attitude of China and Latvia vis-à-vis one another as states is assessed, it prevails that, even though a major part of the respondents consider the mutual attitude as rather friendly (between 41,4% and 43,1%), nevertheless, it is perceived that Latvia conducts a friendlier attitude towards China than China does towards Latvia: 25,9% of the respondents consider the attitude of Latvia towards China as friendly, but only 12,1% of them consider the attitude of China towards Latvia as friendly.

In regard to the respondents' attitudes towards the prospects of investment from China in Latvia, equal parts of respondents (43,1%) are either neutral or positive towards it. Most of the respondents (72,4%) consider that investment in Latvia's transport and energy infrastructure would be necessary, whereas such sectors as manufacturing of electronic or mechanical products also receive support from more than a half of the respondents.

When it comes to the "16+1'' cooperation format, the results of the survey reveal that more than a half of them (56,9%) have never before heard of the "16+1'' cooperation format and over two thirds (70,7%) have not heard that the 5<sup>th</sup> Meeting of Heads of Government of Central and Eastern European Countries and China is taking place in Riga, Latvia.

Even though the results of the survey cannot be absolutely generalized, they still reflect the perception of China in Latvia. It could be argued that collections of opinions in the Latvian society at large could provide even less informed opinions on the issues addressed in the survey (the students questioned are obliged to follow issues of political nature on regular basis). Therefore, for both Latvia-China relationship and the "16+1" format to be successful and enduring, deepening of the mutual knowledge and understanding between China in Latvia is crucial.

# ORGANIZERS, COOPERATIVE PARTNERS AND SUPPORTERS OF THE FORUM



Latvian Institute of International Affairs: www.liia.lv



China-CEEC Think Tanks Network of the Chinese Academy of Social Sciences: www.16plus1-thinktank.com



Ministry of Foreign Affairs Republic of Latvia



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