
The Reality of China's Belt and Road Initiative (BRI) from a Numerical Perspective —Promote BRI for the Purpose of Increasing “pro-China” Countries—

By Junya Sano
(sano.junya@jri.co.jp)
Senior Economist
Economics Department
Japan Research Institute

Summary

1. In 2013, Chinese President Xi Jinping launched the Belt and Road Initiative (BRI), with the following three objectives: 1) to counter the TPP, 2) to stimulate overseas demand, and 3) to promote the development of inland China. In 2017, the need to counter the TPP diminished when the United States announced its intention to withdraw from the TPP negotiations, but the United States' hardline policy toward China and the inclination toward an “America First” policy have increased the need for China to ensure that more countries will take a “pro-China” political position. As a result, the Xi Jinping administration sought to expand trade, investment, and aid through the BRI in order to increase the number of “pro-China” countries.
2. More than 100 countries, mainly developing countries, have given assent to the BRI and signed a memorandum of understanding (MOU) on BRI cooperation. In Japan, the BRI is called a “broad-area economic zone initiative” because of the large number of signatories and the geographical reach of the BRI. However, it is not clear whether the MOUs serve as a foothold for a broad-area economic zone because they are bilateral agreements with China and the contents of the agreements have not been disclosed. To determine whether the BRI is moving toward the development of a broad-area economic zone, it is necessary to analyze in detail the relationships between the countries that have signed an MOU and China.
3. Therefore, this paper quantifies the economic and political relationships with China of the 138 countries that signed an MOU, using indicators that represent the strength of their ties with China, and thereby measures the closeness of their relationships with China. As a result of the analysis, it is confirmed that 37 Asian countries have generally close relationships with China. On the other hand, in Europe, Oceania, and Latin America, there are many countries with weak economic and/or political ties with China. Given the large variability in their relationships with China among the 138 countries, it is premature at this point to regard the BRI as a broad-area economic zone initiative.
4. Looking at major countries, Cambodia has been increasing its economic dependence on China, signing a bilateral FTA in October 2020. As a result, Cambodia has the strongest economic and political ties with China among the 138 countries. Russia, on the other hand, is politically close with China, but not economically.
5. As U.S. President-elect Joe Biden is unlikely to soften America's hardline stance toward China, it seems that breaking the potential encirclement of China will become an urgent and most important objective of the BRI. In fact, China has already secured “pro-China” countries in Africa and elsewhere, so it will not be isolated in the United Nations. Securing “pro-China” countries among the G20 members will be a challenge in the future. The members of the G20 include seven signatories of MOUs on BRI cooperation. It is believed that China will build up a track record of cooperation in such areas as fostering excellent IT engineers and promoting non-oil-dependent industries, and strengthen relationship with countries with weak economic ties.
6. In addition, under the policy of “emphasis on quality,” the BRI will promote cooperation in a wide range of fields such as the digital industry and public health, as well as the conclusion of high-level bilateral and multilateral FTAs, and it is expected that the current cooperative relationships centering on infrastructure development will be raised to a higher level. However, the expansion of the trade deficits of relevant countries with China and the low public support for overseas assistance in China may hinder the progress of the BRI.

Introduction

The Belt and Road Initiative (BRI) promoted by the Xi Jinping administration is described as an ambitious attempt to change the existing world order, with descriptions such as “broad-area economic zone initiative” and “mega-economic zone initiative.” However, it has hardly been verified whether these descriptions accurately describe the initiative. With this issue as a starting point, this paper quantifies the relationships between the countries that signed a memorandum of understanding (MOU) with China on BRI cooperation, and examines whether a relationship worthy of being described as an “economic zone initiative” has been established and the direction in which the BRI will move.

This paper is composed of three parts. First, we will review the trajectory of the BRI from its advocacy in 2013 to the present (as of the end of 2020) and examine the background of the Xi Jinping administration’s launch of the BRI and changes in the environment surrounding its initiatives (Section 1). Second, it quantifies the strength of political and economic ties with China, and categorizes the economic and political relationships with China of the 138 countries that signed an MOU on cooperation with the BRI (hereinafter, “signatories of MOU on BRI cooperation”) (Section 2). It also looks at how the Xi Jinping administration will promote the Belt and Road Initiative in the future (Section 3).

1. Trajectory of the BRI

The Belt and Road Initiative (hereinafter, “BRI”) is a diplomatic strategy of China that was initiated when Chinese President Xi Jinping called for strengthening cooperation with Central Asian countries and ASEAN nations during his visit to Asia in 2013 (Table 1). The BRI was launched with the following three objectives.

The first was to counter the Trans-Pacific Partnership Agreement (TPP). At the time, the Obama administration of the United States was engaged

Table 1 Trajectory of the BRI

| Time | Event |
|----------------|--|
| September 2013 | President Xi Jinping calls for stronger cooperation with Central Asia. |
| October 2013 | President Xi Jinping calls on ASEAN nations and others to strengthen cooperation. |
| November 2013 | The development of the BRI comprising the “Silk Road Economic Belt (Belt)” linking China with Europe by land and the “21st Century Maritime Silk Road (Road)” linking China with Europe by sea is specified in the economic reform plan. |
| March 2015 | The Chinese government announces the “BRI Vision and Action” based on the development of infrastructure in China and the promotion of inland areas by strengthening economic relations with neighboring countries. |
| October 2017 | At the 19th National Congress of the Chinese Communist Party, policies are adopted to position the BRI as the core of China’s diplomatic strategy and continue promoting it as a new framework for international cooperation. |

Source: Prepared by The Japan Research Institute, Limited based on various media reports

in the TPP negotiations and was aiming for an early conclusion of the agreement. By taking the initiative in building the TPP, the United States aimed to deter China which was “trying to change the existing international order”⁽¹⁾. In response, China sought to create an economic zone that could compete with the TPP.

The second is to stimulate overseas demand. When the BRI was launched, the problem of excess capacity and inventory, which were side effects of the “4 trillion yuan economic stimulus package” implemented after the collapse of Lehman Brothers, became apparent, and the solution of these problems had become a drag on the Chinese economy. To shift from an investment-led growth strategy, it is essential to reduce excess capacity and inventories, but this will require large-scale layoffs and a major corporate shakeout. Under these circumstances, the Xi Jinping administration sought to stimulate demand in recipient countries through economic assistance, thereby encouraging exports of overproduced goods and transfers of its industries.

The third is to promote the development of inland China. In inland areas such as Xinjiang and Yunnan, trade and investment by foreign com-

panies have been sluggish for many years due to distance from ports. Since the 2000s, the Chinese government has focused on the development of inland areas such as infrastructure development, but regional disparities with coastal areas such as Shanghai and Guangdong have not been resolved. Therefore, the Xi Jinping administration sought to use the BRI to raise the level of inland areas and reduce regional disparities within the country.

However, the circumstances surrounding China have changed drastically comparing the time when the BRI was launched to the present (as of the end of 2020). In particular, the United States' hardline policy toward China and its inclination toward an "America First" policy can be said to be the biggest change.

Under the Trump administration, the United States took a hardline policy toward China. Sanctions against China initially focused on raising tariffs to press China to reduce its trade surplus with the United States. At the end of the administration, however, the United States tightened sanctions against individual high-tech companies (including the suspension of transactions, etc.) to eliminate security threats. Furthermore, the United States strongly criticized China over human rights issues in the Xinjiang Uighur Autonomous Region and Hong Kong, and over the "National Security Maintenance Act" in Hong Kong.

What symbolizes the United States' "America First" policy is its announcement of withdrawal from the TPP (Table 2). Former U.S. President Donald Trump withdrew from the TPP negotiations immediately after taking office in 2017, saying multilateral free trade agreements such as the TPP would deprive Americans of their jobs and increase the trade deficit. The United States also withdrew from the Paris Agreement, an international framework for reducing greenhouse gas emissions. In this way, the United States has made it clear that it will give up its role as world leader and pursue its own interests.

China saw the United States' inclination toward the "America First" policy as an opportunity to realize its ambition to become a world leader. At the 19th National Congress of the Chinese Communist Party in 2017, the Xi Jinping administration

Table 2 Background Behind the Promotion of the BRI

| U.S. / Chinese administration | TPP | BRI |
|-------------------------------|---|--|
| Obama / Xi Jinping | ·Deter China through participation in the TPP negotiations and the conclusion of an agreement | ·Counter the TPP ·Cultivate overseas demand ·Promote the development of inland China |
| Trump / Xi Jinping | ·Withdraw from the TPP negotiations by advocating "America First" policy | ·Increase the number of "pro-China" countries |

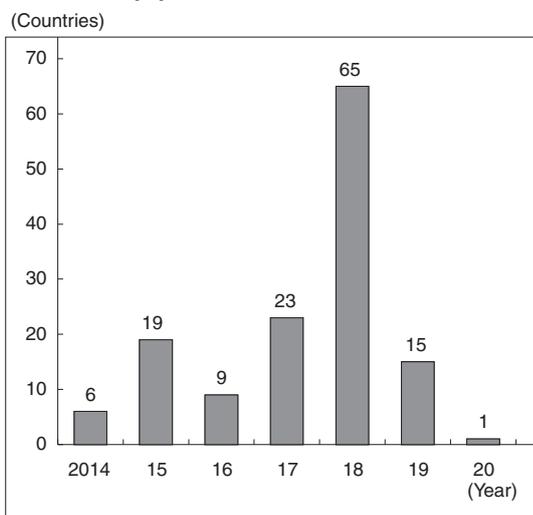
Source: Prepared by The Japan Research Institute, Limited based on "www.cpcnews.cn," "Belt and Road Portal" (Chinese government's official website on the BRI) and various media reports

set a national goal of China leading the world with international influence by 2050⁽²⁾. In fact, since the National Congress, China has taken a more active stance toward maintaining the multilateral free trade system and resolving global issues such as climate change.

The United States' announcement of its intention to withdraw from the TPP has lessened the need for the BRI. However, the United States' hardline policy toward China and its inclination toward the "America First" policy have increased the need for China to ensure that more countries would take a "pro-China" political position. In light of these changes, the Xi Jinping administration has come to aim to expand trade, investment, and aid, and to increase the number of "pro-China" countries under the BRI.

As of the end of January 2020, 138 countries had signed a Memorandum of Understanding (MOU) on cooperation with the BRI (Fig. 1). By year, the number of signatories from 2014 to 2017 was at most 20, but in 2018 the number surged to 65. While most countries in Asia and Europe signed an MOU by 2017, countries in Africa, Oceania and Latin America have signed MOUs one after another since 2018, indicating that the BRI has spread from countries along the Silk Road, both land and sea, to countries on a global scale. The BRI is called a broad-area economic zone initiative in the Japanese media because of the growing number of signatories and the geographic

Fig. 1 Conclusion of MOU on Cooperation with the BRI (By year of MOU conclusion)



Notes: The data for 2020 covers until the end of January 2020

Source: Prepared by The Japan Research Institute, Limited based on the "Belt and Road Portal"

reach of the BRI.

However, the MOU is a bilateral agreement with China and the contents of the agreement have not been disclosed. So, does the BRI have an entity worthy of being called an economic zone initiative? To determine this, it is necessary to analyze in detail the relationships between China and the countries that have signed an MOU.

2. Relationship of 138 Signatories of MOU on BRI Cooperation with China from a Numerical Perspective

In the following, I would like to examine the relationships of the 138 signatories of an MOU on BRI cooperation with China through data analysis.

To explain the general flow of the analysis, the closeness of relationship of the signatories with China was quantified in seven areas that indicate their ties with China in terms of economy and pol-

itics, respectively. The seven areas related to economy are: 1) foreign direct investment (FDI) from China; 2) trade dependence on China; 3) value of construction contracts; 4) conclusion of FTAs; 5) currency swap agreements; 6) conclusion of an MOU on third country market cooperation; and (7) conclusion of an MOU related to the Digital Silk Road. The seven areas related to politics are 1) frequency of participation in BRI-related international conferences; 2) number of visits by Chinese leaders to the counterparty country; 3) names of bilateral relationship; 4) support for China at the United Nations; 5) number of embassy and consulates; 6) number of Confucius Institutes; and 7) number of foreign students in China. The economic, political, and overall scores (average of economic and political scores) for the 138 signatories of an MOU on BRI cooperation are calculated (see the column for specific indicators and calculation methods).

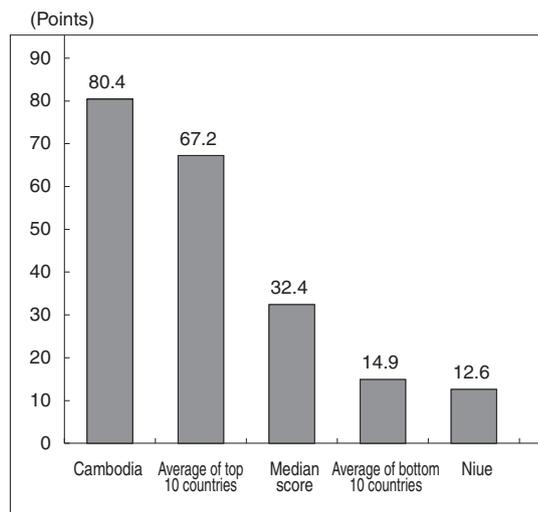
(1) It is premature to regard the BRI as a broad-area economic zone initiative

Looking at the 138 countries that signed an MOU, it can be pointed out that there is considerable variation in closeness of their relationship with China.

When sorting the countries in descending order by overall score, Cambodia ranked first, followed by Laos, Myanmar, Pakistan, Mongolia, Malaysia, Kazakhstan, Singapore, Kyrgyzstan, and Vietnam. The average of the top 10 countries was 67.2 points (Fig. 2, and Table 1 of the Reference in the Appendix). By contrast, the bottom 10 countries were North Macedonia, Latvia, Malta, Oman, El Salvador, Lebanon, Lithuania, Moldova, and the Solomon Islands, with Niue at the bottom. The average score for the bottom 10 countries was 14.9 points, a 52.3 point difference from the top 10 countries. Of the 138 countries, 24 scored higher than 50, while 15 countries scored less than 20, indicating a considerable degree of dis-

parity in the closeness of these countries to China. The same trend is seen when looking at economic

Fig. 2 Relationship with China of 138 Signatories of MOU on BRI Cooperation (Overall score)

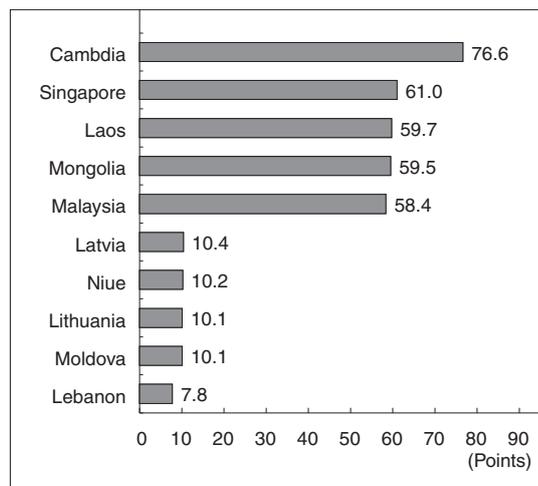


Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, Ministry of Commerce, National Development and Reform Commission (NDRC), People's Bank of China (PBOC) and various media reports

scores and political scores, respectively. In terms of the economic score, Cambodia ranked first with 76.6 points, followed by Singapore (61.0 points), Laos (59.7 points), Mongolia (59.5 points) and Malaysia (58.4 points), with 15 countries scoring over 50 points, while 23 countries, such as Lebanon (7.8 points), Lithuania (10.1 points), Moldova (10.1 points), Niue (10.2 points) and Latvia (10.4 points), scored less than 20 points (Fig. 3). In terms of the political scores, Laos ranked first with 89.8 points, followed by Russia (89.1 points), Pakistan (88.7 points), Myanmar (86.1 points), and Cambodia (84.2 points), with 24 countries scoring more than 60 points, while 22 countries, including Solomon Islands (7.0 points), Libya (9.0 points), Kiribati (9.5 points), Niger (11.5 points), and North Macedonia (11.9 points), scored less than 20 points (Fig. 4).

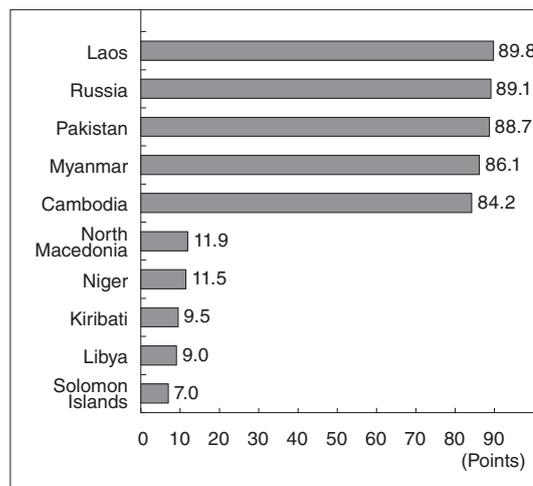
A review of the 138 countries' relationships with China shows that surprisingly few of them have established close political and economic ties, and most of them have established only economic or political ties, or have not established either. The aim of the BRI is considered to build an economic zone centering on China through trade,

Fig. 3 Economic Score: Top and Bottom 5 Countries



Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, Ministry of Commerce, National Development and Reform Commission (NDRC), People's Bank of China (PBOC) and various media reports

Fig. 4 Political Score: Top and Bottom 5 Countries



Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, Ministry of Commerce, National Development and Reform Commission (NDRC), People's Bank of China (PBOC) and various media reports

investment, and aid, and to increase the number of countries that are politically “Pro-China.” The signatories of MOU on BRI cooperation, however, are neither close nor homogeneous enough to be considered to have formed an economic zone. At this point, it is premature to consider the BRI as a broad area economic zone.

(2) Trends highlighted through the categorization

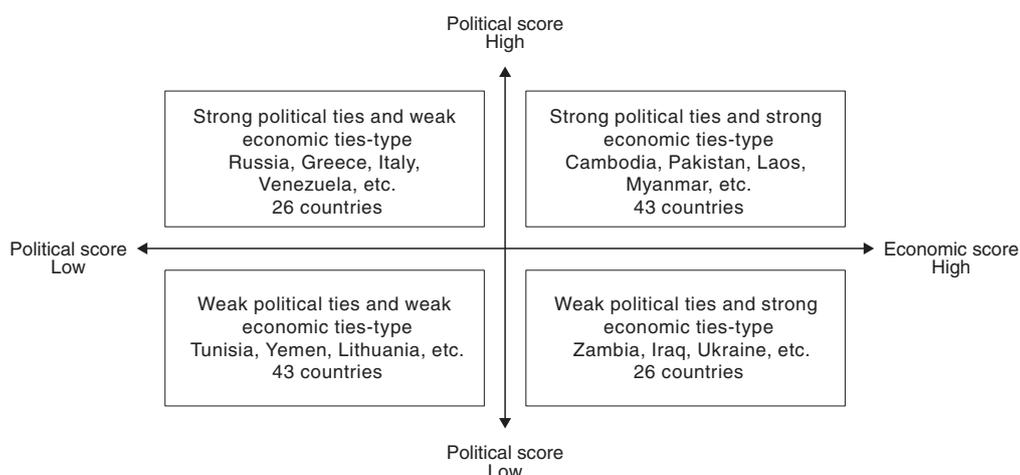
The 138 countries were categorized into the following four types by how far they deviated from the median value: 1) “strong political ties and strong economic ties-type” which indicates that they are close both politically and economically; 2) “strong political ties and weak economic ties-type” which indicates that they are close politically but not economically; 3) “weak political ties and strong economic ties-type” which indicates that they are not close politically but are close economically; and 4) “weak political ties and weak economic ties-type” which indicates that they

are not close either politically or economically (Fig. 5). The following four regional trends were highlighted through this categorization.

The first point is that Asian⁽³⁾ countries’ relationships with China are close on the whole both economically and politically. The 43 countries which were categorized as “strong political ties and strong economic ties-type”⁽⁴⁾ included 20 Asian countries, which was the largest number by region (Table 3). Additionally, in Asia, 37 countries have signed an MOU on cooperation with the BRI, with the highest ratio of the countries categorized as the “strong political ties and strong economic ties-type” (54.1%) among all the regions. Furthermore, as in the case of Cambodia and Laos, many Asian countries scored significantly higher than the median value of both economic score (32.4 points) and political score (30.8 points) (Fig. 6).

Geographical proximity is one reason why Asian countries’ relationships with China have become generally closer. Based on the gravity model of international trade, which predicts that the amount of trade between two countries is inversely proportional to their distance from each other, Asia has an advantage over other regions

Fig. 5 Four Types of Relationship with China of Signatories of MOU on BRI Cooperation



Notes: The 138 signatories of MOUs on BRI cooperation are categorized based on the median value of each of economic score and political score.

Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, Ministry of Commerce, National Development and Reform Commission (NDRC), People’s Bank of China (PBOC) and various media reports

Table 3 Regional Categorization Chart

| | Strong political ties and strong economic ties-type | Strong political ties and weak economic ties-type | Weak political ties and strong economic ties-type | Weak political ties and weak economic ties-type |
|---|--|--|--|---|
| Asia (37 countries) | Cambodia, Laos, Myanmar, Pakistan, Mongolia, Malaysia, Kazakhstan, Singapore, Kyrgyzstan, Vietnam, Indonesia, Thailand, Uzbekistan, South Korea, UAE, Tajikistan, Maldives, Turkey, Bangladesh, Brunei | Nepal, Sri Lanka, Philippines, Saudi Arabia, Iran, Afghanistan | East Timor, Georgia, Iraq, Kuwait, Armenia | Azerbaijan, Qatar, Bahrain, Yemen, Oman, Lebanon |
| Africa (44 countries) | Ethiopia, Guinea, Mozambique, Egypt, Equatorial Guinea, Zimbabwe, Kenya, Djibouti, Republic of the Congo, Senegal, Gabon, Sierra Leone, Nigeria, Angola, Cameroon | South Africa, Namibia, Tanzania, Rwanda, | Zambia, Ghana, Gambia, Chad, Uganda, Comoros, Seychelles, Liberia, Algeria, Niger, South Sudan | Sudan, Madagascar, Mauritania, Burundi, Cote D'Ivoire, Morocco, Somalia, Mali, Tunisia, Benin, Cape Verde, Libya, Lesotho, Togo |
| Europe (27 countries) | Belarus, Serbia, Czech Republic | Russia, Italy, Hungary, Greece, Portugal, Poland, Austria, Albania, Romania, Croatia | Ukraine, Montenegro | Slovenia, Cyprus, Bulgaria, Bosnia-Herzegovina, Estonia, Luxembourg, Slovakia, North Macedonia, Latvia, Malta, Lithuania, Moldova |
| Oceania (11 countries) | Papua New Guinea, New Zealand, Samoa | Fiji | Federated States of Micronesia, Vanuatu, Kiribati | Tonga, Cook Islands, Solomon Islands, Niue |
| Central and South America (19 countries) | Suriname, Peru | Chile, Ecuador, Venezuela, Cuba, Panama | Jamaica, Trinidad and Tobago, Bolivia, Grenada, Barbados | Dominica, Guyana, Uruguay, Antigua and Barbuda, Costa Rica, Dominican Republic, El Salvador |

Notes 1: The 138 signatories of MOUs on BRI cooperation are categorized based on the median value of each of economic score and political score.

Notes 2: Since the regional classification is based on Chinese data, Asia includes the Middle East, and Africa indicates sub-Saharan and North Africa (for example, Egypt).

Notes 3: Country names are stated in descending order by overall score.

Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, Ministry of Commerce, National Development and Reform Commission (NDRC), People's Bank of China (PBOC) and various media reports

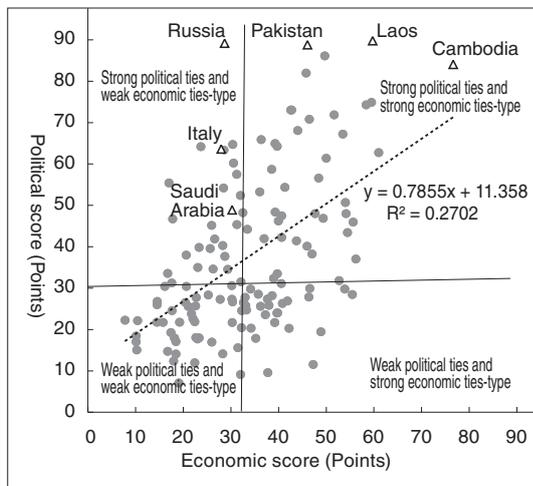
in terms of trade with China. Building good relations with China, which has a high growth rate and a large economic scale even though the pace of growth has been slowing, will have a positive effect on the economic development of a country. Expansion of supply chains in Asia against the backdrop of surging personnel costs and changes in industrial structure in China, as well as intensification of trade friction between the United States and China, has also underpinned closer relations with China.

If it is limited to the Southeast Asian countries, overseas Chinese conglomerates can be pointed out as one of the reasons behind their close relationships with China. Many overseas Chinese with historic, ethnic and family connections to China contributed to the deepening of their economic re-

lations with China, creating a bilateral economic relationship unlike other regions.

The second point is that Africa's relations with China are not close except for key countries in terms of security. In Africa, while 15 countries were classified into the "strong political and strong economic ties-type," it can be pointed out that their economic and political scores were lower than those of Asian countries and that the divergence from the median value was small. Looking at Africa as a whole (44 countries have signed an MOU on cooperation with the BRI), the ratio of the countries categorized as the "strong political and strong economic ties-type" is less than half, and the ratio of the countries categorized as the "weak political and weak economic ties-type" is high, at 31.8% (14 countries).

Fig. 6 Score Scatter Diagram



Notes: The solid lines indicate the median value of the economic score and the political score, respectively.
 Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, Ministry of Commerce, National Development and Reform Commission (NDRC), People's Bank of China (PBOC) and various media reports

Among the countries that are categorized as “strong political and strong economic ties-type” in Africa, Angola, Republic of the Congo, Egypt, and Djibouti are especially important countries for China. Against the backdrop of rapid economic development and the plateau of domestic production, the security of crude oil imports has become the most crucial issue for China. Under these circumstances, Angola and Republic of the Congo were among the leading suppliers of crude oil to China in 2019, ranking fourth (9.4%) and 13th (2.4%) in terms of the volume of crude oil imports, respectively. Meanwhile, Egypt has the Suez Canal which connects Asia and Europe by sea, and Djibouti is located at the key point of the sea lane which connects the Suez Canal and Asia directly, and the only overseas permanent base of the Chinese military has been established there, so that both countries have a close relationship with China in both political and economic aspects.

The third point is the weak link between European countries and China. China positioned the Central and Eastern Europe region as a window for expanding BRI to the whole of Europe from

the beginning, and has tried strengthening the economic relationships mainly through investment. China has also been holding an annual summit with the leaders of Central and Eastern European countries to strengthen political relations with them. However, these efforts have not been successful. Of the 27 European countries including Central and Eastern European countries, only 3 countries, Serbia, Belarus and Czech Republic, were classified as “strong political and strong economic ties-type.” The number of countries categorized as “weak political and weak economic ties-type” was 12, which accounted for the largest ratio in this region. In term of FDI from China (increase in stock as a percentage of GDP between 2013 and 2019), European countries ranked at the bottom among the signatories of MOUs on BRI cooperation. This lowered the economic and political scores of Central and Eastern European countries.

The fourth point is that close relationships with China have not formed yet in Oceania and Central and South America. The categorization indicates that there are many common points in both regions. For example, among the signatories of MOUs on BRI cooperation in these regions, countries with large economies, such as New Zealand and Peru, fall into the category of the “strong political ties and strong economic ties-type,” but the percentage of the countries categorized as the “weak political ties and weak economic ties-type” is the largest in the whole region. Having said that, Oceanian and Central and South American countries signed MOUs on cooperation with the BRI relatively recently. This can be considered to have affected their scores.

(3) Major countries' relations with China

Next, by looking at five countries including Cambodia, Laos, Russia, Italy, and Pakistan, the reasons why these countries have high scores will be examined. Cambodia ranked first in economic score and Laos ranked first in political score. Italy

and Russia do not necessarily have high scores, but they are members of the G20, which brings together the leaders of countries with large economies to discuss a wide range of international issues, and there is room for these two countries to further strengthen their economic relations with China. Meanwhile, in Pakistan, projects symbolizing the BRI are under way. Therefore, these five countries will be analyzed individually.

1) Cambodia

Cambodia ranked first in terms of overall score (80.4 points) and economic score (76.6 points) and ranked fifth in terms of political score with 84.2 points.

FTAs are the major factor for winning the first place in economic score. Cambodia has concluded FTAs with China in the ASEAN-China Free Trade Area (ACFTA) and the Regional Comprehensive Economic Partnership (RCEP), and signed a bilateral FTA with China in October 2020 (Table 4). Cambodia also ranked high in other indicators comprising economic score such as trade dependence on China and FDI from China.

Looking at the political score, the clear indication of the “pro-China” attitude was the main factor behind the additional points. For example, when issues of Hong Kong (June 2020) and Uighurs (October 2020) were discussed at the United Nations, many of the signatories of MOUs on BRI cooperation did not clarify their views. However, Cambodia supported China both times (Table 5). Cambodia has also attended all BRI-related international conferences.

gurs (October 2020) were discussed at the United Nations, many of the signatories of MOUs on BRI cooperation did not clarify their views. However, Cambodia supported China both times (Table 5). Cambodia has also attended all BRI-related international conferences.

Cambodia is sandwiched between Vietnam and Thailand, and it faces the problem of how to limit the influence of both countries which has been increasing in both political and economic aspects. For the Hun Sen administration, whose relations with Western countries have deteriorated due to severe political oppression, strengthening relations with China was advantageous in that it obtained diplomatic backing and funds for development. On the other hand, China wanted to avoid ASEAN countries’ solidarity over territorial disputes in the South China Sea and needed a country to defend China within ASEAN countries. Under such circumstances, Cambodia seems to have developed the closest economic and political relationship with China among the 138 signatories of MOUs on BRI cooperation.

Table 4 Progress Status of Conclusion of FTAs with China

| Status | Format | Country name |
|-------------|--------------|---|
| Signed | Bilateral | Georgia, South Korea, Peru, Singapore, Chile, Pakistan, Cambodia, Maldives, Costa Rica, New Zealand |
| | Multilateral | ACFTA(ASEAN), RCEP (ASEAN, South Korea, New Zealand) |
| Negotiating | Bilateral | Sri Lanka, Moldova, Panama |
| | Multilateral | Gulf Cooperation Council (GCC) (Six Middle Eastern countries including Saudi Arabia) |
| Considering | Bilateral | Fiji, Nepal, Papua New Guinea, Bangladesh, Mongolia |

Notes: Limited to the signatories of MOUs on the BRI cooperation.
Source: 『中国自由贸易区服务网』 (Ministry of Commerce’s website)

Table 5 Stance Toward China at the United Nations

| | Hong Kong issue (June 2020) | Uighur issue (October 2020) |
|-------------|--|---|
| Affirmative | 45 countries, including Cambodia, Laos, Pakistan, Zimbabwe, Togo, Morocco, Egypt, Belarus, and Venezuela | 36 countries including Cambodia, Laos, Pakistan, Saudi Arabia, Angola, Madagascar, Tanzania, Russia, Kiribati and Grenada |
| Dissenting | 8 countries including Austria, Slovakia, Estonia, Lithuania, Slovenia, Latvia, Luxembourg, and New Zealand | 15 countries including Austria, Poland, Bulgaria, Slovakia, Albania, Croatia, Bosnia and Herzegovina, Estonia, Lithuania, Slovenia, North Macedonia, Latvia, Italy, Luxembourg, and New Zealand |

Notes 1: The countries that expressed support for China are counted as “Affirmative,” while the countries that supported the resolution condemning China were counted as “Dissenting.”

Notes 2: Limited to the signatories of MOUs on BRI cooperation.

Source: Prepared by The Japan Research Institute, Limited based on various media reports

2) Laos

Laos scored 89.8 points and ranked first in political score, while it ranked second in overall score (74.7 points) and third in economic score (59.7 points).

The largest factor which raised Laos' economic score was investment. Laos ranked first in terms of the value of construction contracts as a percentage of GDP, and ranked second in terms of FDI from China (Fig. 7). The construction of the China-Laos railway, a huge national project for the country, is in progress and is scheduled to be completed in 2021. Chinese enterprises have been actively carrying out contract work and direct investment in Laos including the development around the railway.

Meanwhile, Laos ranked first in three indicators, including the frequency of participation in BRI-related international conferences, out of seven areas comprising the political score. In addition, Laos' scores were boosted by the large number of foreign students in China (students from Laos who are studying in China) per population of 10,000 and the relatively large number of embassy

and consulates.

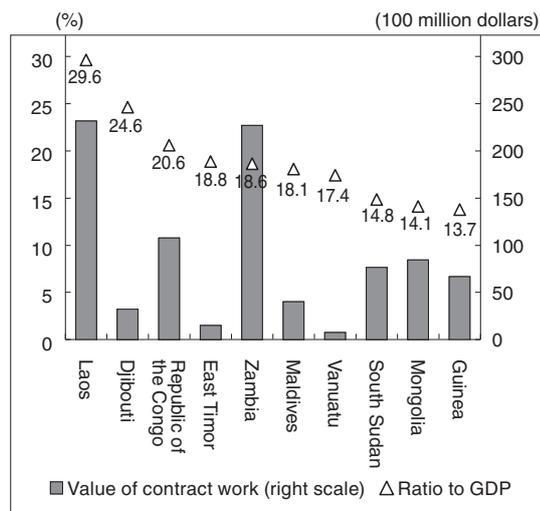
The reason why Laos and China need each other is almost the same as the case of Cambodia. However, Laos differs from Cambodia in that it is a socialist country like China, and it has good relations with Europe and the United States, nonetheless.

3) Russia

While Russia ranked second in political score with 89.1 points, it ranked 87th in economic score with 28.6 points, which was around 4 points lower than the median value of the economic score. Russia ranked 11th in overall score (58.9 points) reflecting the high political score.

Looking at the breakdown of the political score, the number of visits by Chinese leaders stands out among the signatories of MOUs on BRI cooperation (Fig. 8). The high number of visits by President Xi Jinping and Premier Li Keqiang in

Fig. 7 Construction Contracts Involving Chinese Enterprises

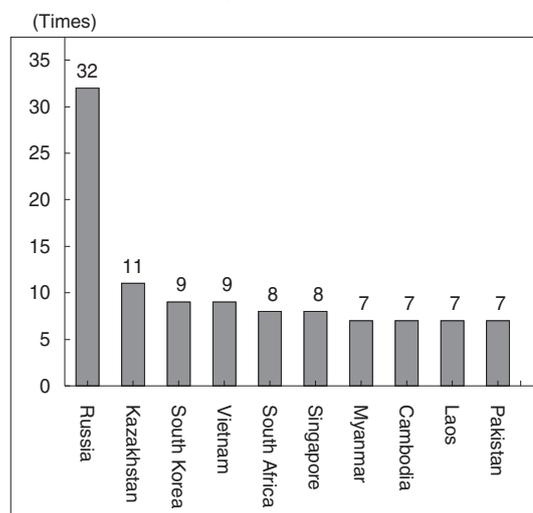


Notes 1: The top 10 countries with higher ratio of construction contract value to GDP among the signatories of MOUs on the BRI cooperation.

Notes 2: Based on the 5-year cumulative comparison.

Source: Prepared by The Japan Research Institute, Limited based on the Ministry of Commerce's "China Commerce Yearbook," World Bank and United Nations

Fig. 8 Number of Visits by Chinese Leaders (2014 – November 2020)



Notes 1: The number of visits to countries by President Xi Jinping, Premier Li Keqiang, Political Bureau member in charge of foreign affairs, and Foreign Minister are counted (except for the cases where Chinese leaders visited the counterparty countries for international conferences, but their meetings with the leaders of the counterparty countries could not be confirmed).

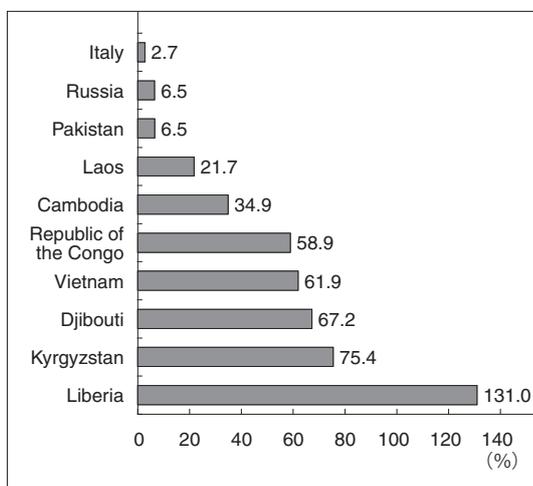
Notes 2: The top 10 countries with the largest number of visits among the signatories of MOUs on the BRI cooperation

Source: Prepared by The Japan Research Institute, Limited based on various media reports, the Ministry of Foreign Affairs, and the Chinese government

particular indicates China's emphasis on political relations with Russia. Russia also ranked first in terms of the number of embassy and consulates. These two elements were the main reason boosting Russia's political score to the second place. Russia also ranked first or within top positions in other five areas.

In contrast, economic scores such as trade dependence were generally low (Fig. 9). The following two structural factors can be pointed out as the reasons: 1) the size of the economy is large (11th largest GDP in the world), and it is difficult to increase the score evaluated as a ratio to GDP, and 2) the neighboring EU is the largest trading partner (export destination of energy) from the viewpoint of Russia. In addition, as for the reason why the economic relationship between Russia and China has not deepened, it can be pointed out that their interests do not always coincide. China and Russia are wary of increasing their dependence on each other in the supply of energy and consumer goods, respectively, and this seems to have hindered the deepening of economic relations. This mismatch in economic interests contrasts with the political need for China and Russia to oppose the United States.

Fig. 9 Trade Dependence on China of Signatories of MOUs on BRI Cooperation (2019, ratio to GDP)



Source: Prepared by The Japan Research Institute, Limited based on the IMF and the World Bank

4) Italy

Same as Russia, Italy is classified as a “strong political ties and weak economic ties-type.” While Italy ranked 20th in political score with 63.5 points, it ranked 92nd in economic score with only 28.0 points. Reflecting the low economic score, Italy ranked 32nd in overall score (45.7 points).

Looking at the breakdown of the political score, the frequency of participation in BRI-related international conferences and the number of Confucius Institutes were the factors that contributed to the additional points. However, Italy did not attend the BRI Foreign Ministers' Meeting held in June 2020, and instead took the side of criticizing China at the United Nations General Assembly held in October 2020 on the Uighur issue. It can be said that Italy has a “special” relationship with China among the G7 member countries, as it is the only G7 member country that has signed an MOU on the BRI and has come to take a stern approach toward China. However, its relationship is not so close as to disturb the coordination of the G7.

Looking at the breakdown of the economic score, Italy increased its score in third country market cooperation, which means the government's push to develop markets and infrastructure overseas with Chinese enterprises. Only 14 countries have concluded an MOU on third country market cooperation with China, and only five countries have done so among the signatories of MOUs on BRI cooperation including South Korea and Singapore. Despite the foregoing, Italy's economic score was low on the whole since there were small additional points in other indicators. The largest trade partner for Italy is other EU countries, so economic relations with China are harder to deepen than with Russia.

5) Pakistan

Pakistan ranked fourth in overall score with 67.6 points and ranked third in political score with 88.7 points, securing a position within the top five. On the other hand, Pakistan ranked 26th in economic score with 46.4 points. This indicates that Pakistan's economic ties with China are not particularly high among the 43 countries classified as the “strong political ties and strong economic

ties-type.”

In the breakdown of the economic score, the currency swap agreements and the conclusion of a bilateral FTA can be mentioned as factors behind the additional points. However, Pakistan has not concluded multilateral FTAs such as the RCEP with China, which resulted in a gap in score with other countries that ranked higher in the economic score. Moreover, Pakistan did not gain high scores in such areas as trade dependence on China, FDI from China, and the value of construction contracts.

In Pakistan, the China-Pakistan Economic Corridor (CPEC) is promoted as one of the most important BRI projects. CPEC is said to be the “largest economic cooperation package in a single country”⁽⁵⁾, but the upward effects of this project on trade and investment are limited at present according to trade and investment data. Pakistan’s economic score is expected to rise as CPEC gains momentum in the future.

In the breakdown of the political score, the high score was acquired in six fields except for the number of foreign students in China. In particular, Pakistan ranked first by gaining full scores in each of the indicators including the frequency of participation in BRI-related international conferences, support for China at the United Nations, and the names of bilateral relations (in response to a call from China, Pakistan has officially announced that it would build a community of common destiny with China⁽⁶⁾).

Behind the close political relationship between Pakistan and China is the shared interest of the two countries in keeping India, a major power in South Asia, in check. Ensuring political stability and economic prosperity without the influence of India has been a challenge for Pakistan since its separation and independence from British India. On the other hand, China can keep India, which it has territorial disputes with, in check by strengthening its relationship with Pakistan. Both sides benefit in such a way, and the firm political connection which ranked within top three even among the 138 signatories of MOUs on BRI collaboration was developed. CPEC is a project that symbolizes the China-Pakistan relationship, which involves a

common interest in keeping India in check as the economic corridor passes through the Kashmir region, where India and Pakistan are in dispute.

3. How Will China Promote the BRI Going Forward?

As noted in Section 1, the Xi Jinping administration will promote the BRI with the aim of increasing the number of “pro-China” countries. Meanwhile, the hardline attitude of the U.S. toward China will not likely change even after the new Biden administration takes office. Since the Biden administration has indicated its policy to oppose China by improving relations with its allies, the environment surrounding China may even become more severe than under the Trump administration. Therefore, the Xi Jinping administration is likely to promote the BRI with an emphasis on the following points.

The first point is to break the encirclement of China. After 2018, in the middle of the Trump administration, the United States began to focus on the encirclement of China through the Free and Open Indo-Pacific (FOIP) strategy. This reflected the rise of a hardline stance toward China based on the recognition that the engagement policy had failed. Despite some differences in approach among administrations, the United States has promoted an engagement policy since the normalization of diplomatic relations with China, and supported China’s accession to the WTO while expanding trade and investment. This was based on the idea that China’s political democratization would be achieved eventually if economic liberalization is promoted and China becomes affluent.

However, under the situation that the one-party rule of the Chinese Communist Party was rather strengthened under the Xi Jinping administration, resulting in a rise of the hardline stance that democratization should be pressed by putting pressure on China. Such a hardline stance toward China has become a consensus that transcends political parties, and it is unlikely that it will ease with

the inauguration of the new Biden administration. Rather, President Biden has indicated his policy of opposing China by improving relations with allies, and there is a possibility that an encirclement of China will be formed that will isolate China internationally.

In the meantime, the Xi Jinping administration is planning to further promote the BRI under the diplomatic strategy of leading the world in place of the United States by the middle of this century. However, it is difficult to develop relations based on “strong political ties and strong economic ties” like with Cambodia and Laos with all signatories of MOUs on BRI cooperation, and it is not a realistic way either. If the new Biden administration were to attempt an encirclement of China, it would be the most urgent and critical objective of the BRI to break through such encirclement.

As pointed out in Table 5, there are many countries in the United Nations that support China, such as in Africa, so there is no fear of isolation. Therefore, securing “pro-China” countries in the G20 will be critical for China in the future. Members of the G20 include seven signatories of MOUs on BRI cooperation. China is expected to strengthen relations with these countries, for example, by fostering excellent IT engineers and space development with Russia, and by promoting non-oil-dependent industries with Saudi Arabia.

The other is emphasis on quality. At the Fifth Plenary Session of the 19th Central Committee of the Chinese Communist Party (Fifth Plenary Session of the CCP Central Committee) held in October 2020, the draft of the 14th Five-year Plan from 2021 was adopted, and the policy of “emphasizing quality” was specified in terms of the BRI⁽⁷⁾ (Table 6). Cooperation in a wide range of fields such as digital industry and public health, and the conclusion of high-level bilateral and multilateral FTAs will be promoted, and cooperation centering on infrastructure development is expected to be raised to a higher level.

In addition, in the draft of the 14th Five-year Plan, “expansion of two-way trade and investment” and “financing in light of debt sustainability” were incorporated as the policies on the BRI. These are measures that will bring more benefits

Table 6 Policies for the Medium-term Plan Related to the BRI

| Policy | Specific examples |
|------------------|--|
| Focus on quality | · Cooperation in a wide range of areas, including the digital industry, supply chains, and public health |
| | · Promoting the conclusion of high-level bilateral and multilateral FTA networks |
| | · Expansion of two-way trade and investment |
| Others | · Financing in light of debt sustainability |
| | · Promotion of dual circulation |
| | · Strengthening of security measures |

Notes 1: Dual circulation is a new development model which promotes the expansion of trade and direct investment with a main focus on the expansion of domestic demand.

Notes 2: The draft of the 14th Five-year Plan does not specify the details of “strengthening of security measures.”

Source: Prepared by The Japan Research Institute, Limited based on “www.cpcnews.cn”

to the signatories of MOUs on BRI cooperation and can be interpreted as part of the efforts toward the emphasis on quality that was adopted at the Fifth Plenary Session of the 19th Central Committee of the Chinese Communist Party.

Conclusion

When the Xi Jinping administration promotes the BRI, the following two points may be factors that hinder its progress.

The first point is the expansion of trade deficits with China. Against the backdrop of the continued growth of the Chinese economy and the implementation of trade liberalization measures (tariff cuts, etc.), exports from the signatories of MOUs on BRI cooperation to China increased. However, imports from China increased at a pace exceeding that of exports, and the trade deficit with China of each country has been growing. To alleviate this situation, China has been promoting import promotion measures such as expanding purchases of high-quality foreign products and holding exhibitions. However, it is difficult to believe that this will lead to the drastic correction of the trade imbalance. If trade deficits with China continue to grow, the BRI and, in turn, China’s centripetal

force may decline.

The second point is the declining support of domestic public opinion for overseas assistance. There is also a view within China that doubts large-scale aid to other countries. Since information control became stricter, criticism of overseas support could not easily surface. However, there are still online claims saying that “domestic poverty measures should be prioritized over external assistance”⁽⁸⁾. If these claims are strengthened by a decline in the potential growth rate and an increase in the fiscal deficit, the budget for overseas assistance may be restrained, and funds for promoting the BRI may not be secured.

Column: Method for Calculating Economic and Political Scores of the 138 Signatories of MOUs on BRI Cooperation

○ Procedures for score calculation

- 1) Seven areas that are considered to indicate the economic and political closeness with China were selected and indexed. Reference 1 shows the list of selected indicators, and the sources and calculation methods for each indicator.

(Reference1) Selected Indicators, Sources and Calculation methods

Economic score

| Indicator | Source | Calculation method |
|--|--|--|
| FDI from China | “Statistical Bulletin of China’s Outward Foreign Direct Investment” released by the Ministry of Commerce, etc., while GDP data is based on the World Bank (United Nations statistics if the data is not available) | <ul style="list-style-type: none"> • The ratio of increase in FDI stock to GDP (increase as a percentage of GDP in 2019) of each country in the last eight years (2013-2019) is calculated. • The countries are ranked in descending order of the ratio to GDP, with the top country receiving 20 points and the bottom country receiving 0 points. Example: If there are multiple countries with the same or no data, and the lowest ranked country is in 100th place, the country ranked first receives 20 points, that ranked second receives 19.8 points, that ranked 99th receives 0.2 point, and that ranked 100th receives 0 points. Countries without data also receive zero points. |
| Trade dependence on China | Trade value data is based on the IMF’s DOT, while GDP data is based on the same source as that for “FDI from China” | <ul style="list-style-type: none"> • The value of trade with China as a percentage of GDP in 2019 and 2013 is calculated for each country. • The countries are ranked in descending order of (value of trade with China as a percentage of GDP in 2019 – value of trade with China as a percentage of GDP in 2013), and then the same calculation method as for “FDI from China” is applied. |
| Value of construction contracts | The Ministry of Commerce’s “China Commerce Yearbook” while GDP data is based on the same source as that for “FDI from China” | <ul style="list-style-type: none"> • The total value of new construction contracts by Chinese enterprises in each country (2014-2018) as a percentage of GDP is calculated. • After calculating the value as a percentage of GDP, the same calculation method as for “FDI from China” is applied. |
| Conclusion of FTAs | 『中国自由贸易区服务网』(Website of the Ministry of Commerce of the People’s Republic of China) | <ul style="list-style-type: none"> • If all bilateral and multilateral (China-ASEAN, RCEP) FTAs with China have been enforced and relevant agreements have been concluded, 10 points are given. The countries with two effective FTAs are given 6.7 points, those with one effective FTA are given 3.3 points, and those with no effective FTAs are given zero points. |
| Currency swap agreements | People’s Bank of China (PBOC) website, edited by 李巍主編, 『中国经济外交藍皮書(2020)』 | <ul style="list-style-type: none"> • The countries with an effective currency swap agreement are given 10 points, while the countries whose currency swap agreement has expired and in cases where a new time-bound agreement has not been concluded and those countries without a currency swap agreement are given zero points. |
| Conclusion of an MOU on third country market cooperation | National Development and Reform Commission (NDRC) (material released in September 2019) | <ul style="list-style-type: none"> • The countries that have concluded an MOU on third country market cooperation with China are given 10 points, while those countries that have not concluded one are given zero points. |
| Conclusion of an MOU related to the Digital Silk Road | Eurasia Group, “The Digital Silk Road: Expanding China’s Digital Footprint,” various media reports | <ul style="list-style-type: none"> • The countries that have concluded an intergovernmental MOU on the Digital Silk Road (including technical cooperation in telecommunication) with China are given 10 points, while those countries without one are given zero points. |

Notes: If the GDP for 2019 has not been announced, the data for 2018 is substituted.

Political score

| Indicator | Source | Calculation method |
|---|--|---|
| Frequency of participation in BRI-related international conferences | "Belt and Road Portal" (Chinese government's official website on the BRI), Chinese Ministry of Foreign Affairs' website | <ul style="list-style-type: none"> • Frequency of participation in the BRI International Cooperation Summits held in 2017 and 2019 and the BRI Foreign Ministers' Meeting held in 2020 is counted. • When national leaders/foreign minister participated in all of the three conferences, 20 points are given. When they participated in two conferences, 10 points are given. When they participated in one conference, 5 points are given. When they did not participate in any conferences, zero points are given. |
| Number of visits by Chinese leaders to the counterparty country | Chinese Ministry of Foreign Affairs' website, Chinese government's website | <ul style="list-style-type: none"> • The number of visits by the eight senior Chinese leaders to the counterparty country during the period between 2014 and the end of November 2020 is counted. • The number of visits corrected by multiplying the number of visits by a five-fold correction factor for President Xi Jinping and a three-fold correction factor for Premier Li Keqiang, among the leaders, is calculated. • After the corrected number of visits is counted, the same calculation method as for "FDI from China" is applied. |
| Names of bilateral relationship | Chinese Ministry of Foreign Affairs' website | <ul style="list-style-type: none"> • The names of bilateral relationships with the counterparty country are confirmed. |
| | | <ul style="list-style-type: none"> • If the counterparty country has officially announced that it shares (would share) a common destiny with China, 20 points are given. In the case of partnership, 15 points, 10 points or 5 points are given depending on the number of words describing the relationship. If nothing is mentioned, zero points are given. |
| Support for China at the United Nations | Various media reports | <ul style="list-style-type: none"> • The counterparty country's stance toward China in the discussions at the United Nations on the issues of Hong Kong (June 2020) and Uighurs (October 2020) is confirmed. |
| | | <ul style="list-style-type: none"> • If the counterparty country supported China, a score of +1 is given. If the counterparty country condemned China, a score of -1 is given. If the counterparty country's stance was neutral, a score of 0 is given. |
| | | <ul style="list-style-type: none"> • If the total score for the two issues is +2, 10 points are given. If the total score is +1, 7.5 points are given. If the total score is 0, 5 points are given. If the total score is -1, 2.5 points are given. If the total score is -2, zero points are given. |
| Number of embassy and consulates | Chinese Ministry of Foreign Affairs' website | <ul style="list-style-type: none"> • The number of embassy and consulates is counted by country. |
| | | <ul style="list-style-type: none"> • If the country which set up more than five Chinese embassy and consulates, 10 points are given. If the country which set up four embassy and consulates, 8 points are given. If the country which set up three embassy and consulates, 6 points are given. If the country which set up two embassy and consulate, 4 points are given. If the country which set up only embassy, 2 points are given. If the country which set up no embassy and consulates, 0 points are given. |
| Number of Confucius Institutes | Hanban (an organization under the direct control of the Chinese Ministry of Education) website | <ul style="list-style-type: none"> • The number of Confucius Institutes and Confucius Classrooms is counted by country. |
| | | <ul style="list-style-type: none"> • After sorting the results in descending order, the same calculation method as for "FDI from China" is applied. |
| Number of foreign students in China | The number of foreign students in China is based on the Ministry of Foreign Affairs' "Chinese Diplomacy" (original source: Chinese Ministry of Education), while the population data is based on the United Nations and World Bank | <ul style="list-style-type: none"> • The number of foreign students in China per population of 10,000 in each country is calculated. |
| | | <ul style="list-style-type: none"> • After sorting the results in descending order, the same calculation method as for "FDI from China" is applied. |

Notes 1: Confucius Classrooms are Chinese language educational organizations certified by the Chinese government, established mainly in locations other than universities.

Notes 2: As of January 2021, the number of Confucius Institutes by country cannot be confirmed on the Hanban's website. After that, Hanban seems to have undergone a major organizational change, including its name.

- 1) Points are given for each indicator, and the economic score and the political score (maximum of 100 points each) are calculated based on the total points.
- 2) The overall score (maximum of 100 points) is calculated as an average of the economic score and the political score.

(Reference 2) Points Allocation for Each Indicator and Full Scores for the Economic Store, Political Score, and Overall score

| Economic score | | Political score | | |
|--|--|-----------------|---|------------|
| Indicator | Points | Indicator | Points | |
| 1 | FDI from China | 20 | Frequency of participation in BRI-related international conferences | 20 |
| 2 | Trade dependence on China | 20 | Number of visits by Chinese leaders to the counterparty country | 20 |
| 3 | Value of construction contracts | 20 | Names of bilateral relationship | 20 |
| 4 | Conclusion of FTAs | 10 | Support for China at the United Nations | 10 |
| 5 | Currency swap agreements | 10 | Number of embassy and consulates | 10 |
| 6 | Conclusion of an MOU on third country market cooperation | 10 | Number of Confucius Institutes | 10 |
| 7 | Conclusion of an MOU related to the Digital Silk Road | 10 | Number of foreign students in China | 10 |
| Total | | 100 | Total | 100 |
| Overall score = (Economic score + Political score) / 2 | | | | 100 points |

[Reference in the Appendix] Table 1 Relationship of the Signatories of MOUs on BRI Cooperation with China (Overall Score, Economic Score, and Political Score)

| Rank | Country name | Overall score | Economic score | Political score |
|------|-----------------------|---------------|----------------|-----------------|
| 1 | Cambodia | 80.4 | 76.6 | 84.2 |
| 2 | Laos | 74.7 | 59.7 | 89.8 |
| 3 | Myanmar | 67.9 | 49.7 | 86.1 |
| 4 | Pakistan | 67.6 | 46.4 | 88.7 |
| 5 | Mongolia | 67.2 | 59.5 | 74.9 |
| 6 | Malaysia | 66.3 | 58.4 | 74.3 |
| 7 | Kazakhstan | 63.9 | 45.8 | 82.0 |
| 8 | Singapore | 61.9 | 61.0 | 62.8 |
| 9 | Kyrgyzstan | 61.7 | 51.6 | 71.9 |
| 10 | Vietnam | 60.3 | 53.5 | 67.2 |
| 11 | Russia | 58.9 | 28.6 | 89.1 |
| 12 | Belarus | 58.6 | 46.4 | 70.8 |
| 13 | Indonesia | 57.9 | 42.7 | 73.0 |
| 14 | Thailand | 57.8 | 42.6 | 73.0 |
| 15 | Uzbekistan | 56.0 | 44.0 | 68.1 |
| 16 | South Korea | 55.7 | 50.0 | 61.4 |
| 17 | UAE | 52.5 | 48.4 | 56.6 |
| 18 | Papua New Guinea | 52.3 | 54.0 | 50.7 |
| 19 | Serbia | 52.1 | 39.3 | 64.9 |
| 20 | Tajikistan | 52.0 | 39.7 | 64.2 |
| 21 | Ethiopia | 51.1 | 36.3 | 65.9 |
| 22 | Maldives | 51.1 | 54.1 | 48.0 |
| 23 | Guinea | 50.8 | 55.6 | 45.9 |
| 24 | Mozambique | 48.9 | 54.4 | 43.4 |
| 25 | Egypt | 48.6 | 38.5 | 58.7 |
| 26 | Equatorial Guinea | 48.1 | 49.3 | 46.9 |
| 27 | Zimbabwe | 47.8 | 41.3 | 54.3 |
| 28 | New Zealand | 47.8 | 47.6 | 48.0 |
| 29 | Chile | 47.5 | 30.4 | 64.7 |
| 30 | Djibouti | 46.6 | 56.2 | 37.0 |
| 31 | Nepal | 46.0 | 28.6 | 63.4 |
| 32 | Italy | 45.7 | 28.0 | 63.5 |
| 33 | Hungary | 45.4 | 30.5 | 60.2 |
| 34 | Kenya | 44.6 | 36.0 | 53.2 |
| 35 | Sri Lanka | 44.3 | 31.2 | 57.5 |
| 36 | Turkey | 44.0 | 40.6 | 47.5 |
| 37 | Greece | 43.9 | 23.7 | 64.2 |
| 38 | Republic of the Congo | 43.8 | 39.3 | 48.4 |
| 39 | Senegal | 43.1 | 40.0 | 46.2 |
| 40 | Gabon | 43.0 | 45.9 | 40.1 |
| 41 | Suriname | 42.6 | 47.0 | 38.2 |
| 42 | Peru | 42.6 | 43.7 | 41.4 |
| 43 | Samoa | 42.2 | 52.7 | 31.8 |
| 44 | Philippines | 42.2 | 32.0 | 52.3 |
| 45 | East Timor | 41.9 | 55.5 | 28.4 |
| 46 | Zambia | 41.8 | 53.9 | 29.7 |
| 47 | Brunei | 41.4 | 40.6 | 42.2 |
| 48 | Portugal | 41.3 | 28.4 | 54.2 |
| 49 | Czech Republic | 40.3 | 32.5 | 48.2 |
| 50 | Poland | 39.7 | 30.6 | 48.7 |

([Reference in the Appendix] Table 1 Continued from the previous page)

| Rank | Country name | Overall score | Economic score | Political score |
|------|--------------------------------|---------------|----------------|-----------------|
| 51 | Bangladesh | 39.4 | 37.0 | 41.9 |
| 52 | Sierra Leone | 38.8 | 33.4 | 44.2 |
| 53 | Saudi Arabia | 38.3 | 31.2 | 45.3 |
| 54 | Ghana | 38.2 | 46.5 | 29.9 |
| 55 | Georgia | 37.1 | 46.3 | 27.8 |
| 56 | Nigeria | 36.6 | 39.7 | 33.4 |
| 57 | South Africa | 36.2 | 17.0 | 55.4 |
| 58 | Angola | 35.8 | 40.6 | 31.0 |
| 59 | Cameroon | 35.6 | 39.0 | 32.3 |
| 60 | Namibia | 35.5 | 25.9 | 45.1 |
| 61 | Gambia | 34.3 | 41.8 | 26.8 |
| 62 | Tanzania | 34.2 | 28.3 | 40.2 |
| 63 | Iran | 34.2 | 26.6 | 41.8 |
| 64 | Chad | 34.1 | 48.9 | 19.4 |
| 65 | Federated States of Micronesia | 33.5 | 40.8 | 26.2 |
| 66 | Iraq | 33.4 | 38.6 | 28.1 |
| 67 | Austria | 33.2 | 28.7 | 37.6 |
| 68 | Ecuador | 32.6 | 25.6 | 39.5 |
| 69 | Uganda | 32.5 | 37.6 | 27.3 |
| 70 | Fiji | 32.2 | 17.8 | 46.7 |
| 71 | Ukraine | 32.1 | 35.7 | 28.5 |
| 72 | Afghanistan | 31.9 | 29.3 | 34.5 |
| 73 | Jamaica | 31.9 | 34.1 | 29.7 |
| 74 | Vanuatu | 31.9 | 37.9 | 25.8 |
| 75 | Trinidad and Tobago | 31.9 | 39.8 | 23.9 |
| 76 | Kuwait | 31.8 | 39.6 | 23.9 |
| 77 | Rwanda | 31.8 | 32.1 | 31.5 |
| 78 | Venezuela | 31.5 | 23.3 | 39.8 |
| 79 | Montenegro | 31.2 | 42.2 | 20.2 |
| 80 | Comoros | 30.9 | 36.2 | 25.6 |
| 81 | Albania | 30.4 | 26.2 | 34.6 |
| 82 | Seychelles | 30.4 | 39.2 | 21.6 |
| 83 | Sudan | 30.4 | 30.2 | 30.6 |
| 84 | Liberia | 30.4 | 37.2 | 23.5 |
| 85 | Algeria | 30.3 | 32.9 | 27.7 |
| 86 | Armenia | 29.5 | 32.6 | 26.5 |
| 87 | Bolivia | 29.4 | 33.1 | 25.7 |
| 88 | Niger | 29.4 | 47.3 | 11.5 |
| 89 | Romania | 29.3 | 20.6 | 37.9 |
| 90 | Cuba | 29.0 | 23.0 | 35.0 |
| 91 | Grenada | 28.9 | 33.2 | 24.6 |
| 92 | Madagascar | 28.7 | 30.2 | 27.3 |
| 93 | Tonga | 28.5 | 30.3 | 26.6 |
| 94 | Mauritania | 28.4 | 32.2 | 24.5 |

| Rank | Country name | Overall score | Economic score | Political score |
|------|---------------------|---------------|----------------|-----------------|
| 95 | Dominica | 27.5 | 27.7 | 27.2 |
| 96 | Barbados | 27.2 | 34.2 | 20.3 |
| 97 | Burundi | 26.8 | 25.2 | 28.3 |
| 98 | South Sudan | 26.5 | 35.2 | 17.8 |
| 99 | Cote D'Ivoire | 26.3 | 32.2 | 20.4 |
| 100 | Slovenia | 25.9 | 30.3 | 21.6 |
| 101 | Azerbaijan | 25.5 | 20.6 | 30.4 |
| 102 | Morocco | 25.2 | 22.7 | 27.7 |
| 103 | Panama | 25.1 | 16.7 | 33.5 |
| 104 | Croatia | 24.4 | 17.5 | 31.2 |
| 105 | Guyana | 24.1 | 22.6 | 25.6 |
| 106 | Kiribati | 23.6 | 37.7 | 9.5 |
| 107 | Somalia | 23.5 | 31.4 | 15.5 |
| 108 | Cyprus | 23.5 | 20.4 | 26.5 |
| 109 | Uruguay | 23.3 | 21.0 | 25.5 |
| 110 | Bulgaria | 23.2 | 16.1 | 30.4 |
| 111 | Cook Islands | 22.7 | 21.7 | 23.7 |
| 112 | Mali | 22.3 | 22.0 | 22.6 |
| 113 | Tunisia | 22.1 | 22.4 | 21.8 |
| 114 | Benin | 21.4 | 26.0 | 16.9 |
| 115 | Bosnia-Herzegovina | 21.2 | 28.3 | 14.0 |
| 116 | Antigua and Barbuda | 21.1 | 17.6 | 24.5 |
| 117 | Cape Verde | 20.6 | 14.5 | 26.7 |
| 118 | Estonia | 20.6 | 23.3 | 17.9 |
| 119 | Libya | 20.5 | 32.0 | 9.0 |
| 120 | Lesotho | 20.5 | 19.2 | 21.7 |
| 121 | Luxembourg | 20.3 | 22.6 | 18.0 |
| 122 | Qatar | 20.3 | 23.0 | 17.7 |
| 123 | Bahrain | 20.2 | 14.5 | 25.9 |
| 124 | Togo | 18.7 | 15.7 | 21.7 |
| 125 | Slovakia | 18.3 | 17.4 | 19.2 |
| 126 | Costa Rica | 18.1 | 14.5 | 21.7 |
| 127 | Dominican Republic | 18.0 | 18.1 | 17.9 |
| 128 | Yemen | 17.7 | 18.4 | 17.0 |
| 129 | North Macedonia | 17.1 | 22.4 | 11.9 |
| 130 | Latvia | 16.2 | 10.4 | 22.1 |
| 131 | Malta | 16.2 | 18.4 | 14.0 |
| 132 | Oman | 15.7 | 16.7 | 14.7 |
| 133 | El Salvador | 15.1 | 18.0 | 12.3 |
| 134 | Lebanon | 15.0 | 7.8 | 22.2 |
| 135 | Lithuania | 14.2 | 10.1 | 18.4 |
| 136 | Moldova | 13.5 | 10.1 | 17.0 |
| 137 | Solomon Islands | 13.0 | 19.0 | 7.0 |
| 138 | Niue | 12.6 | 10.2 | 15.0 |

Notes: The rank is sorted in descending order by overall score.

Source: Prepared by The Japan Research Institute, Limited based on the World Bank, United Nations, IMF, Ministry of Foreign Affairs, National Development and Reform Commission (NDRC), People's Bank of China (PBOC) and various media reports

End Notes

1. Nishimura [2015] P.5.
2. Xi Jinping 「決勝全面建成小康社會奪取新時代中國特色社會主義偉大勝利」“www.cpcnews.cn,” 28 October 2017 (“Political report” at the 19th National Congress of the Chinese Communist Party, <http://cpc.people.com.cn/n1/2017/1028/c64094-29613660.html>)
3. Since the regional classification is based on Chinese data, Asia includes the Middle East, and Africa indicates sub-Saharan and North Africa (for example, Egypt).
4. “Closeness” in this article means having a close relationship, and it may not be synonymous with friendliness. For example, Vietnam has territorial disputes in the South China Sea, and its political relationship with China is not necessarily close. However, the number of visits by the Chinese leaders to Vietnam was high because of such problems, which raised the political score of Vietnam.
5. Kurita [2020]. P.1. China has a plan to invest 62.0 billion dollars in CPEC.
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