

Forum: Economic and Social Council (ECOSOC)

Issue: The consequences of China's Belt and Road Initiative

Student Officer: Dimitrios Fragkos

Position: Deputy President

INTRODUCTION

Officially called “The Silk Road Economic Belt and 21st-century Maritime Silk Road”, the Belt and Road Initiative (BRI) is often characterised as a modern form of the ancient Silk Road. It is a foreign policy and strategy of the People's Republic of China with the stated purpose of connecting Africa, Asia, and Europe with both land and maritime networks, in an attempt to prompt regional integration, stimulate trade, and overall promote economic growth.

As of today, 149 countries have signed Memorandums of Understanding (MoUs) for the BRI. These countries all enjoy boosted trade flow, by at least 4%, while also cutting down on the cost of global trade by 1-2%. In addition to that, the GDP growth in East Asian and Pacific Less Economically Developed Countries (LEDs) has significantly increased due to the countries' participation in the initiative. It is also calculated that the BRI will account for a \$7.1 trillion increase in global GDP per annum by 2040.

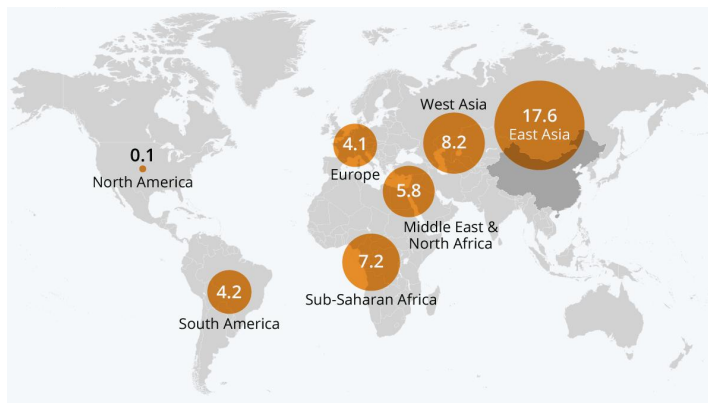


Figure 1: Chinese BRI investments in 2020 by world region (in billions of US dollars)

People who support the BRI continuously draw attention towards the fact that it has a major potential to boost GDP, especially in LEDs. They also praise its effort to interconnect the global market and create an amicable trading and financial support environment. On the other hand, people who oppose the project highlight the significant

role that China is undertaking by leading the initiative, stressing their concerns for debt-trap diplomacy and resulting neocolonialism. To top that off, there is additional criticism regarding negative environmental impact and severe violations of human rights.

DEFINITION OF KEY-TERMS

Memorandum of Understanding

"A memorandum of understanding is an agreement between two or more parties outlined in a formal document. It is not necessarily legally binding, which depends on the signatories' intent and the language in the agreement, but signals the willingness of the parties to move forward with a contract."¹

Regional Integration

"The process by which two or more nation-states agree to co-operate and work closely together to achieve peace, stability and wealth."²

Economic Growth

"Economic growth is an increase in the production of economic goods and services in one period of time compared with a previous period. It can be measured in nominal or real (adjusted to remove inflation) terms. Traditionally, aggregate economic growth is measured in terms of gross national product (GNP) or gross domestic product (GDP), although alternative metrics are sometimes used."³

Gross National Product

"Gross national product (GNP) is an estimate of the total value of all the final products and services turned out in a given period by the means of production owned by a country's residents. GNP is commonly calculated by taking the sum of personal consumption expenditures, private domestic investment, government expenditure, net exports, and any income earned by residents from overseas investments, then subtracting income earned by foreign residents. Net exports represent the difference between what a country exports minus any imports of goods and services."⁴

Gross Domestic Product

"Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific period. As a

¹ "Memorandum of Understanding (MOU) Defined, What's in It, Pros/Cons, MOU vs. MOA." Investopedia, <https://www.investopedia.com/terms/m/mou.asp>. Accessed June 2023.

² "Extension: What is Regional Integration? - EU Learning." Carleton University, <https://carleton.ca/ces/elearning/introduction/what-is-the-eu/extension-what-is-regional-integration/>. Accessed June 2023.

³ Munichiello, Katrina. "What Is Economic Growth and How Is It Measured?" Investopedia, <https://www.investopedia.com/terms/e/economicgrowth.asp>. Accessed June 2023.

⁴ Barnier, Brian. "Gross National Product (GNP) Defined With Example." Investopedia, <https://www.investopedia.com/terms/g/gnp.asp>. Accessed June 2023.

broad measure of overall domestic production, functions as a comprehensive scorecard of a given country's economic health.”⁵

Debt-Trap Diplomacy

“A term used to define a creditor nation or establishment extending loans to a borrowing nation to expand the lender's political leverage. This form of diplomacy entails providing projects/loans with too challenging terms for borrowing states to pay back, ultimately forcing them to accept economic or political concessions.”⁶

Neocolonialism

“The use of economic, political, cultural, or other pressures to control or influence other countries, especially former dependencies.”⁷

Debt Sustainability

Debt sustainability is a country's ability to pay back its debts without putting at risk its economic stability and long-term development prospects. It involves maintaining a manageable amount of debt relative to the country's economic capacity and ensuring the availability of resources to meet debt servicing requirements. Sustainable debt levels enable countries to allocate funds to essential sectors such as education, healthcare, and infrastructure, fostering sustainable economic growth.

The Marshall Plan

The Marshall Plan was enacted by the US after WWII to provide coordinated financial aid to a destroyed post-war Europe. It provided the US with some economic benefits and helped ensure the creation of stable democratic governments. Today, many take a critical stance on the matter cauterising the plan's focus on Western Europe and deem that to be a contributing factor to the Cold War. It effectively presented Eastern European nations with the dilemma between the spheres of influence of the US and the USSR.

The Silk Road Fund

The Silk road fund is a Chinese state-owned investment fund that was created in 2014. Its purpose is to support BRI endeavours worldwide, promoting economic growth

⁵ “Gross Domestic Product (GDP): Formula and How to Use It.” Investopedia, <https://www.investopedia.com/terms/g/gdp.asp>. Accessed June 2023.

⁶ Ajnoti, Rahul. “The Complete Story of Debt-Trap Diplomacy.” The Geopolitics, 11 October 2022, <https://thegeopolitics.com/the-complete-story-of-debt-trap-diplomacy/>. Accessed June 2023.

⁷ “neocolonialism noun - Definition, pictures, pronunciation and usage notes | Oxford Advanced American Dictionary at OxfordLearnersDictionaries.com.” Oxford Learner's Dictionaries, https://www.oxfordlearnersdictionaries.com/definition/american_english/neocolonialism. Accessed June 2023.

worldwide. It focuses on long-term investing and enables LEDCs to receive the funds that they lack to support their BRI infrastructure projects.

The China-Pakistan Economic Corridor

The CPEC is an economic corridor that interconnects Pakistan and China. It starts in Southern Pakistan, at the port of Gwadar, and reaches West China. The project connects the two countries via a series of motorways, railways, and even pipelines. It augments China's strategic position by providing it with access to the Arabian Sea, while also fostering economic integration.

BACKGROUND INFORMATION

Historical Background - The Silk Road

The term “Silk Road” refers to an ancient network of routes connecting Imperial China with the West. These networks were used to transfer goods and ideas between the two most significant civilisations of the time: Rome and China. It consisted of caravan routes that spread from Northern China to the Eastern Mediterranean shores. From there, distribution towards Europe was facilitated mainly by the Mediterranean Sea.

The goods that travelled westwards were mainly silk, patrons, and spices, while gold, silver, and wool went to the east. It should also be noted that via the Silk Road, China got in touch with both Christianity and Buddhism. In addition, a somewhat technical aspect of this network is that due to its immense size, spanning over sixty-four hundred kilometres (6.400 km), next to no people travelled the whole route. Instead, the trade between East and West was made possible by a lot of middlemen, who covered the majority of the distance, and who got compensated by the profit that their operation produced.



Figure 2: The ancient Silk Road, accurate for the period of 500 BCE to 500 CE
(red indicates land routes while blue indicates maritime routes)

The BRI

Creation

The BRI draws inspiration from the ancient Silk Road. The rapid acceleration of China's economic growth over the last decades has led to a desire to expand its geopolitical influence on a global scale and explore new markets for its goods and services. This made possible the conception of the BRI, which would be able to achieve both of the above while also fostering regional integration and continuous development.

The climax of these ideas was in September 2013, when the General Secretary of the Chinese Communist Party, Xi Jinping, unveiled the initiative to the world. This was done via a series of speeches during his visit to Kazakhstan. The BRI was introduced under the umbrella of enhancing connectivity, prompting infrastructure, development, and strengthening cooperation across Euphrasia to stimulate economic growth and promote stability.

Objectives

As mentioned above, there are two main objectives for the initiative. First, there is the socio-economic aspect. The BRI aims to strengthen weak economies and overall create better living conditions for everyone. If implemented correctly, it should reduce travel time alongside its economic corridors by 12%, augment trade between participating countries by 2.7-9.7%, and lift the income of citizens by 3.4%. Finally, it will help 7.6 million people escape from the vicious circle of extreme poverty.⁸

In addition, the initiative includes targets for internal state-building and stabilisation of ethnic unrest in China's western regions. The Chinese government believes that this can be achieved by linking these underdeveloped regions with the world market and by enhancing regional economic integration with the country's eastern regions, which are more economically developed.

Then there is in addition the political aspect of the project. A lot of geopolitical analysts have mentioned that the BRI can serve as a means for China to extend its economic and political influence all over the globe. China itself has continuously downplayed the initiative's strategic importance and has completely denied it in many cases. One could compare the BRI with the Marshall Plan, and a lot of similarities would then arise. In the same way that the Marshall Plan established the American sphere of influence, the Belt and Road Initiative now strives to establish a more sound Chinese one. It can thus be extracted

⁸ "Belt and Road Initiative." World Bank, 29 March 2018, <https://www.worldbank.org/en/topic/regional-integration/brief/belt-and-road-initiative>. Accessed June 2023.

from history that in the same way, the Marshall Plan was a contributing factor to the Cold War, the BRI will now constitute the start of an era of mutual enmity between the US and China.

Organisation and Membership

At its beginnings, the BRI sought to interconnect countries of Central, South, and Southeast Asia with China. During the 2 years after this announcement, the BRI consisted of only 10 countries. From 2015 and onwards, the initiative began to heavily expand its number of participating countries, kicking off the year with an additional 17 countries joining. Last, in 2017 China extended the project to South America and described the move as “a natural

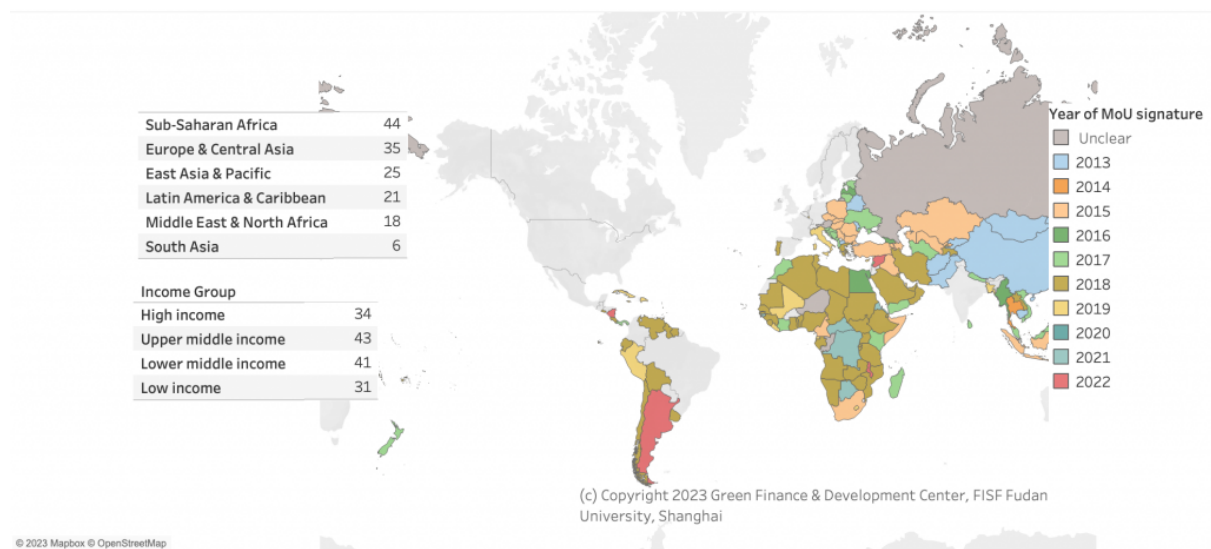


Figure 3: Countries having signed a MoU regarding their participation in the BRI

extension [of the BRI]”. In the same year, the BRI was formally incorporated into the constitution of the Chinese Communist Party (CCP), which was immediately followed by an increase in activity and another 61 joining countries. As of today, the initiative has a hundred and forty-nine participating States (including China).

The Belt and Road Initiative has thus transformed into a not just multinational, but worldwide endeavour. Its member States comprise 75% of the world population and additionally account for more than half of the global GDP.

Members of the BRI include both ends of the geopolitical spectrum. That is to say, both US allies and partners - such as Greece, Italy, and Saudi Arabia - as well as ones of China - such as Laos and Cambodia. Whilst we see this diversity in the initiative, it is noteworthy to examine how those countries which have avoided jumping aboard the BRI, are generally more economically developed, more politically stable, and more democratic than the others.

Everything mentioned above makes the Belt and Road Initiative the most powerful economic forum on the planet. In the past few years, it has extended its influence to all corners of the Earth. While not all members host projects, their support and involvement lend credibility and make it easier for new countries to be enticed to join. China will continue to lobby and try to augment participation, specifically focusing on South America and Western Europe. This is where great economic powers remain still out of the BRI, with examples being Brazil, Germany, and Spain.

Financing

Chinese funds are a driving economic force behind projects under the BRI umbrella. They lend the required funds for a project, under reasonable terms, and as such allow even Less Economically Developed Countries to implement infrastructure developments. These will allow the country to flourish, by facilitating trade easier and opening up new markets for local products and services. The country will subsequently be able to pay back its debt with the added interest, with both the country and China having benefited from the loan.

A primary way via which such funds are provided is the Silk Road Fund. The Silk Road Fund is a Chinese state-owned investment fund that was established in 2014. It was created as part of China's efforts to promote economic cooperation through the Belt and Road Initiative. At that time, the Chinese government pledged to allocate to it a capital of \$40 billion, something that they stood by. This amount was derived partly from China's foreign exchange reserve in addition to other state-owned financial institutions.

The fund aims to finance infrastructure projects and promote economic development by participating in the BRI countries. By providing the funds for such projects, it is easier for them to be facilitated even in less economically developed countries. Some examples of such critical infrastructure include railways, ports, and pipelines; all of which ameliorate connectivity with China and other countries alongside BRI trading routes.

The Silk Road Fund is a long-term investor that seeks opportunities for equity investment, debt financing, and other types of investment vehicles. To support and co-finance projects, it engages with a variety of monetary organisations, including banks, investment funds, and sovereign wealth funds. Its activity is not restricted to China, seeing as it swiftly explores new prospects in other BRI countries.

The Silk Road Fund's involvement in the Belt and Road Initiative helps to realise its objective of improved regional connectivity, trade facilitation, and economic integration. The fund notably strengthens physical and digital connectivity by providing financial resources for infrastructure development. It also fosters economic growth and development in the region by generating job opportunities, strengthening transportation networks, and

increasing energy security. Overall, the Silk Road Fund is more than critical to advancing the goals of the initiative.

Positive Consequences

The BRI has been raising living standards for a lot of people in participating countries. Over the last 10 years, it has created more than 400.000 new jobs in participating countries and has also built training centres that enable local people to follow a better career. Also, the project has brought clean water and stable electricity to remote communities, contributing towards the economic integration of these areas.

Additionally, the BRI aims to enhance regional stability and cooperation by promoting economic interdependence and connectivity. An increase in economic cooperation can reduce the likelihood of conflict and foster an environment of meaningful dialogue and peaceful resolution of disputes. In such a society where one country needs the other to develop economically, there is less motive for war. Resultedly, regional security and stability are being promoted.

To achieve all its goals, the initiative focuses on infrastructure. Apart from the macroeconomic effects of infrastructure development (economic growth, new jobs, etc), there are also microeconomic effects on everyday people. While an advanced road network can be helpful to transport cargo, it is also useful to daily commuters. A port that facilitates trade between continents also serves as the starting point of tourist vacations. A bridge that makes shipments between two regions safer and faster also does the same for the route a citizen may follow to traverse the country. All in all, it is clear how BRI infrastructure projects are dual, serving both the economy and the people.

Negative Consequences

Environmental Impact

The BRI has been heavily criticised for its focus on coal as a means of providing electricity in LEDCs, specifically in Western Africa. Of the ones built, more than half are inefficient, burning a lot of coal to produce relatively little energy. As a result, these countries use more coal than needed. This benefits the Chinese state-owned coal extraction industry which has faced multiple cutdowns due to the Paris Agreement.

Another side effect of the BRI is in the Arctic. Funded by China, and under the umbrella of the Polar Silk Road, Russia has access to over \$35 trillion worth of fossil fuel under the melting north pole. This would not be possible without China's help, due to Russia

lacking the necessary resources to do so. China is especially important because of the war in Ukraine, which has left Russia with very limited economic partners.

Last is the cement production that is being supported by the BRI. Now that China is cutting back on its cement production, once again due to climate goals, it is offloading it onto LEDCs. These projects lack regulation and oversight and are too risky for developing nations to take on.

Human Rights Violations

In the period between just 2013-2020, 679 human rights abuse allegations were linked to BRI projects all over the globe. There seems to be a tendency for these allegations to have higher rates in countries that have weaker governance, and as such persecution of the crimes would be less probable. An additional element is again the higher rates of allegations in the fields of construction and extraction.

The violations most often take the form of failure to disclose land rights, rights of indigenous people, labour rights, loss of livelihood, and beatings and violence. The inaction of the global community as well as that of local governments indicates to China that these behaviours can continue without any serious backlash.

Regarding labour rights, it has been discovered that China in a lot of cases takes advantage of migrant Chinese workers. These people are promised a good job with good pay, which is in turn going to support their families who are back in China. At their time of arrival at the destination country, however, their passports are being confiscated by Chinese employers. If they want to leave early, they must pay a fee for breach of contract, one which usually amounts to several months of pay. And they would want to leave early because they are constantly being subjected to inhumane living conditions, a dangerous working environment, no adequate medical care, no vacation period, delayed payments, and severe punishments if they organise strikes or unionise. They are trapped, with no way out, until the construction has come to an end.

Geopolitical and Security Concerns

The BRI is undeniably a way for China to enhance its soft power worldwide, and gain a very influential role in global geopolitics. It is argued that China can create political leverage in participating countries by augmenting its economic presence in the region. That is because the government of a country is more likely to support China on a plethora of different issues when it is the one funding the entity of the country's infrastructure. As such, the balance of power would shift favourably towards China, and the existing geopolitical order would be disrupted.

Further than that, it is also argued, that the projects the initiative undertakes, are dual. On the surface, they are clearly for civilian purposes. In reality, though, most can also be used by China to gain a military strategic advantage. For example, a port in a strategic location can be used both to augment trade in the area and also for China to increase its military presence in the area. Resultedly, tensions could arise and regional stability be put at risk.

Lastly, the potential for cyber espionage in BRI projects is real. By setting up data centres and telecommunications networks in other countries, China has the opportunity to install backdoor access systems that would allow Beijing to spy or even take control of such critical infrastructure. This could be exploited to monitor or even manipulate communications, compromising the privacy and security of participating countries. This would be especially concerning in times of conflict when this information could be used to gain strategic advantage. A real-world example of this would be when China used spy hardware built by Huawei to spy on the African Union Headquarters, the building of which was funded by China itself. A significant international geopolitical episode was caused, with China refusing to be held accountable for what it deemed to be false accusations.

Debt Sustainability, Debt-Traps, and Financial Transparency

One of the controversial aspects of the BRI is the lending system it utilises to fund projects. A plethora of scholars have described its practices as being based on debt traps, with this idea gaining the support of a lot of governments worldwide.

It should also be noted that the majority of the funds lent are towards Less Economically Developed Countries, negotiated in secret and only bilaterally between the two parties. Collateral for these loans are often rights to mine or rights to free access to a port in the debtor country. This would seem to further add to the debt-trap accusations, with China giving away loans that are difficult to pay back, hoping instead to receive the collateral.

However, a paper published in 2019 by a professor at Johns Hopkins University mostly disproves the above, revealing how debtor countries voluntarily signed the agreements and had mostly good experiences when it comes to dealing with Chinese financiers. In addition, due to a heated global discussion, a previous report co-authored by the same professor also explained the fact that debt towards China does not play a determining role in African debt distress.

Additionally, when it comes to the argument of collateral, it must be known that Chinese banks have never actually opted for that, and have instead preferred restructuring the payment plan for the loan.

Moreover, China's Debt Sustainability Framework (DSF) is nearly identical to the one of the World Bank and the International Monetary Fund (IMF). While this may appear to be positive on the surface, it may also lead to negative side effects. Specifically, the economic model on which the DSF is based consists of a few variables that are inputted by the organisation or country that runs it. It is not unthinkable that China would turn out to be more optimistic about the "economic growth" variable when it comes to its projects. To put the result of that simply, the risk of future debt would look much less severe if a higher rate of economic growth is inputted. Conclusively, the risk of investments would look much less than it is, allowing China to be a more generous lender, even though it might be hard for some countries to pay back, taking into account the real economic growth that the investments would sprout.

Lastly, a very important aspect that ought to not be overlooked is the lack of overall transparency. Even though the BRI is one of the most extensive infrastructure development initiatives that have ever existed, there is no official list of the entirety of BRI projects. Even though China has evolved into a huge player in the world of State to State lending, there is no disclosure on the lending policy and standards that are being followed. Even though China has claimed multiple times that it has invested more than \$1 trillion, there is no official and detailed account of how exactly this amount is distributed and spent among BRI countries. Consequently, it will be difficult for China to convince that the lending system is sustainable when we do not know who, why, and how much it lends.

MAJOR COUNTRIES AND ORGANISATIONS INVOLVED

Africa

Africa as a whole has a lot of potential for development and is often considered a very important part of the BRI. A notable example of BRI projects in the region is the first-ever fully-electric cross-border railway line in the whole of Africa, which links the capital of Ethiopia to the Red Sea Port of Djibouti. This endeavour was funded by 70% of China's Exim Bank, which is seldom another source of BRI projects' financing.

Other significant infrastructure projects include the Maputo bridge in Mozambique and the first deep-water port in Algeria, which is the second of its kind in Africa. A significant drawback of these projects is that usually Chinese workers travel from China, and the local workforce is rarely utilised. This seriously neglects the continent's high unemployment rates, which continue to be negatively affected by workers losing job opportunities in a lot of situations.

Europe

Europe and China have a significant trade relationship that is the product of years of mutual trade agreements and financial collaboration. Undeniably, the most important infrastructure linking the two is the freight train services that connect China with the UK and Germany amongst other European countries.

Another critical infrastructure project is the port of Piraeus in Greece, which from two thousand eighteen onwards has been run by a Chinese shipping conglomerate.

Pakistan

The relationship between Pakistan and the BRI is based on one enormous endeavour: The China-Pakistan Economic Corridor (CPEC). The CPEC is a flagship project that spans over 3000 kilometres and connects the Gwadar Port in southwestern Pakistan to China's northwestern region of Xinjiang. To do that, it uses an extensive network of motorways, railways, and pipelines. It also includes the development of infrastructure projects, such as transportation networks, energy production, industrial parks, and special economic zones.

The project attracts foreign investments and stimulates economic growth, while also enhancing the country's strategic position by providing access to the Arabian Sea. However, the CPEC has raised concerns over the rising debt of Pakistan and also about the absence of transparency throughout the project. Nevertheless, Pakistan continues to view the BRI, and by extension, China, as a vital part of the country's economy and has reaffirmed multiple times its commitment to the initiative.

People's Republic of China

China's relationship with the BRI is the driving force behind the whole initiative. The BRI opens new markets for Chinese products and services, creating investment opportunities, and supporting sectors like cement production and coal extraction. It strengthens China's geopolitical importance and transforms it into a global superpower. Financial institutions like the Silk Road Fund and AIIB fund projects, while the government encourages investment from other domestic agents. China's development experience guides other countries.

Russian Federation

The approach that Russia takes concerning the BRI is characterised both by the willingness to collaborate with China and also by scepticism due to concerns over the

initiative's potential impact on the strategic interests of Russia and its overall influence in the region.

One main endeavour that the two countries have collectively undertaken is the creation of the Eurasian Economic Union (EEU), in 2015. The EEU consists of Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia. It aims to create a single regional market to facilitate trade more easily. At the same time that other countries benefit economically, Russia also gets to expand its geopolitical significance and solidify further its role as a key economic factor in the area.

One more aspect in which the two countries work together is the Polar Silk Road, which has already been analysed. Essentially, Russia is now able to perform arctic expeditions in search or extraction of fossil fuels. This would not have been previously feasible, due to Russia's lack of the necessary funds and specialised equipment, both of which are now provided for by China.

Russia has moreover expressed its will to align the EEU with the BRI, as to further enhance regional integration. In 2018, the Russia-China Investment Fund was created to support joint projects between the two countries, including ones that are under the umbrella of the BRI.

Lastly, the source of Russia's scepticism: The BRI makes China a key economic power in Asia, including Central Asia (countries formerly part of the USSR), which Russia considers to be well within its sphere of influence. Russia fears that its role is being undermined by the BRI and that the country is now losing its absolute grip on power that it once had.

Sri Lanka

The BRI's involvement in Sri Lanka has been a topic of discussion and scrutiny over the past years. The Hambantota Port was constructed with the support and funding of China. Due to financial trouble, in 2017 Sri Lanka handed over the operation of the port, together with 70% ownership, to a Chinese conglomerate. This has served as a very important case study for Chinese debt traps and has been a starting point for such accusations.

The Colombo City project is an urban development scheme that aims to construct a special economic zone next to the Colombo port to create a financial hub in the area. It has received significant funding from China, and it will contribute towards attracting foreign investments and augmenting Sri Lankan economic prospects.

United States of America

The US has cauterised the initiative from its beginnings. They condemn the lack of transparency and debt sustainability of its projects. Moreover, the US fears the new role that China is taking in the 21st century, expanding influence and potentially leveraging its investments as a means to gain political and also military advantages, eroding the influence of the US and undermining the current balance of power.

In response to the BRI, the US has introduced their counter-initiatives. First, the "Indo-Pacific Strategy". It aimed to interconnect the said region by promoting economic connectivity, infrastructure development, and good governance. Then, there is the "Build Back Better World" (B3W). This initiative mobilises private investment in infrastructure projects that adhere to standards of transparency, sustainability, and respect for human rights.

Asian Infrastructure Investment Bank (AIIB)

The AIIB is a China-backed multilateral development bank established in 2016. Its fundamental idea though far outdated stems back to 2013 and the inception of the BRI. The AIIB aims to promote economic growth and regional integration in Asia by financing a

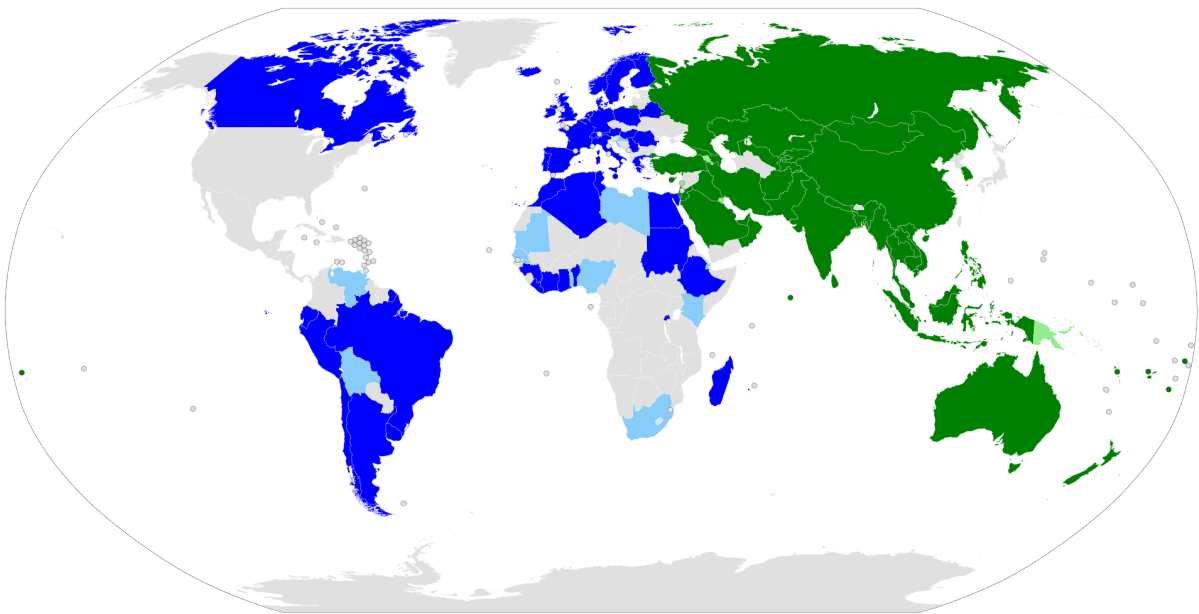


Figure 4: Global map of AIIB members (dark green = regional members, light green = prospective regional members, dark blue = non-regional members, light blue = prospective non-regional members)

plethora of infrastructure projects.

It is thus understandable how the two projects are closely related, with the AIIB being seen as a key financial institution to support the infrastructure projects that the BRI

undertakes. Examples of these include transportation, telecommunications, and energy production. In addition to that, the bank also provides members of the BRI with technical expertise and policy advice, both of which have a significant role in the successful procurement of all BRI endeavours.

It is, however, important to note that the AIIB operates independently of the BRI and makes its decisions based on its assessment of the viability, sustainability, and impact of the projects it wishes to invest in. Moreover, the bank contributes and invests in projects that are outside the scope of the BRI, wishing to maintain a broader focus on development in all of Asia.

TIMELINE OF EVENTS

DATE	DESCRIPTION OF EVENT
September 2013	General Secretary of the Chinese Communist Party, Xi Jinping, announces the basic concept of the BRI during his official visit to Kazakhstan.
November 2013	The Central Committee of the Communist Party of China calls for stronger links between China and its neighbours as a means to facilitate the BRI.
June 2014	Xi Jinping announces that China is now willing to more deeply collaborate with Arab States, in areas such as fossil fuels, infrastructure development, finance, civilian nuclear technology, aerospace, and energy.
November 2014	The Secretary talks about the funds that China is going to provide to infrastructure projects of the BRI reaching forty billion US dollars (\$40 billion).
February 2015	China highlights the priorities of the BRI, which focus on physical trade infrastructure, straightforward foreign investment, financial cooperation, and fervent cultural exchanges.

May 2015	In Moscow, China and Russia voiced their agreement to integrate the latter's Silk Road Economic Belt with the former's vision of a trade and infrastructure network across the whole of Eurasia.
January 2016	The Asian Infrastructure Investment Bank (AIIB), begins its operation. It is a multilateral bank initiated by China, following its agreement with Saudi Arabia, Egypt, and Iran to strengthen collaboration on the BRI.
June 2016	Xi Jinping visited Poland, Serbia, and Uzbekistan. During these visits, the above-mentioned countries accept the idea of enhancing their participation in the BRI.
January 2023	The number of countries participating in the BRI reaches a hundred and fifty-one. This includes seventy-five per cent (75%) of the world population and accounts for over half of the global GDP.

RELEVANT UN RESOLUTIONS, TREATIES AND EVENTS

THE PARIS AGREEMENT

The Paris Agreement is a legally binding international treaty on climate change. It was signed in Paris on the 12th of December 2015 by 196 States. Its goal is to limit the rise of global temperatures to 1.5 degrees Celsius above pre-industrial levels. To do that, it promotes economic and social transformation towards a more environmentally friendly future.

The treaty has pushed China to stop relying heavily on coal for energy production and to stop over-producing cement in such a polluting way. Instead, China is now offloading this "dirty work" to LEDCs, covering it up with the BRI. So it could be stated that the Paris Agreement, which sought to protect the planet's climate and put an end to institutionalised environmental harm, just ended up transferring the pollution from one country to another.

GENERAL ASSEMBLY RESOLUTION 217 A

This resolution has the name of the Universal Declaration of Human Rights and is a document containing all fundamental rights and freedoms that humans possess. It was signed on the 10th of December 1947 in Paris, at the UN General Assembly. It has been translated into over 500 languages and is widely regarded as being the inspiration for the creation of more than 70 other human rights treaties.

When saying that BRI projects have been accused of human rights violations, we mean that they go against some of the articles of said resolution, or any other resolution concerning human rights. This can be arbitrarily taking over one's property, exposing workers to hazardous conditions, or destroying the livelihood of an area and affecting all residents.

MEMORANDUM OF UNDERSTANDING BETWEEN CHINA AND THE UNITED NATIONS DEVELOPMENT PROGRAMME

In September 2016, under the auspices of the 71st General Assembly session, the UNDP and the Chinese government signed an MoU regarding cooperation in the BRI. This moment highlighted the UNDP's commitment to enabling sustainable development throughout the world, this time with the help of the BRI.

This memorandum was the first time that China cooperated with an international institution to promote its BRI agenda. It served as a statement of commendation towards China for its efforts to increase economic growth and create a more environmentally friendly and socially inclusive society.

POSSIBLE SOLUTIONS

Enhancing Transparency

If China wants to assure the world that its lending system is sustainable and sound, efforts must be made in the field of transparency. Understandably, China may wish to publicise information regarding how it distributes funds and under which criteria it does so. The obligation though towards other members of the initiative must not be forgotten. A State cannot be expected to blindly follow China, without knowing at least these key factors of the BRI.

To resolve that, the BRI could be urged to share this information with all Member States, as well as with an independent financial organisation that will review them and make independent reports of its own. The reports would not include exact figures, but only broad

statements that can ensure accountability while also protecting the secrecy of Chinese lending tactics.

Centralised Control and Overview

The BRI up until now has been an endeavour that is solely run by China on a bilateral basis. This means that participating countries do not have a say in the overall direction of the programme and cannot contribute, aid, or discuss other projects. A bold solution to this issue would be to centralise the BRI and transform its operation into a form of international economic and developmental forum, of course with China as its founding boulder.

A central committee that is composed of representatives of all member States, which discusses all relevant topics to the BRI, reviews current policy and guides the evolution of the initiative, could be the answer. Unfortunately, China does not want to open up its leadership to other countries, wishing to always be the one in complete control. To bypass this, a "veto power" could be given to China, similar to the one that the P5 have in the Security Council.

This way, transparency is ensured at its fullest extent, environmental concerns can be addressed, and human rights violations can be brought up.

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