

WORKING PAPER

The 16+1 Format and its Contribution to China-EU Relations

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Abstract

This study surveys the ways in which the 16 + 1 format has the potential to contribute to China-European Union relations. This includes looking at how the aims of the 16 + 1 correlate with certain aspects of the basic framework of China-EU relations in general. Additionally, there is an exploration of 16 + 1 in the broader context of multilateralism, and of the possibility for Central and Eastern Europe to act as a gateway for China to the rest of Europe. The issue of the West Balkans is also touched upon, and the way in which 16 + 1 and broader engagement with China may aid the European integration process in the region and increase cooperation between the states in this area.

Keywords: *16+1, EU-China relations, European integration, multilateralism, West Balkans*

Introduction

The 16+1 initiative consists of various European Union Member States of Central and Eastern Europe as well as countries of the same region that have not yet been fully integrated into the EU, but are nevertheless on the road towards membership. These states together with China have chosen to form a multilateral grouping seeking to deepen and expand their relations. The 16 + 1 platform has the potential to strengthen and reinforce cooperation between the European Union and China in various ways. The 16+1 cooperation compliments such fundamental aspects of EU-China relations as the 1985 Agreement on Trade and Economic Cooperation between the European Economic Community and the People's Republic of China and the EU-China 2020 Strategic Agenda for Cooperation, which aim at deepening EU-China ties. Furthermore, the 16 + 1 initiative is a part of a certain multilateral approach to international relations pursued by China and the European Union in general, based on the deepening of relations between states seeking mutual advantage and „connectivity“. China's utilization of multilateralism shall be explored, and how the 16 + 1 platform fits into this broader approach. This model promoted by China compliments the European Union's multilateral worldview and perspective, which is also based on the coming together and cooperation of sovereign states for mutual prosperity and advantage. This similar worldview reinforces the opportunities for deepening the EU-China relationship through the 16+1 format. By employing this multilateral model in Central and Eastern Europe, this region can become a bridge between China and Europe, thus strengthening the broader China-

European Union relationship. Additionally, it shall be shown that 16 + 1 has the potential to affirm the European integration process in the West Balkan region, acting as an incentive to this process, encouraging cooperation between the states in this region and encouraging stability.

Methodology

This paper consists in part of an analysis of certain aspects of certain key legal agreements and texts that underpin and establish the broad framework of European Union-China relations, as well as those relating to the integration of the region of the West Balkans into the European Union. This involves identifying those key components of these primary legal instruments which correlate with and echo priorities and goals which are also intrinsic to the 16 + 1 platform. Additionally, the paper utilizes the international relations concept of multilateralism, and investigates China's engagement within the framework of this approach. This involves a survey of relevant historic factors, an emphasis on the importance of culture, as well as a certain comparative perspective.

Certain Aims of European Union-China Cooperation and the 16 + 1 Format

Diplomatic relations were first established between the European Union (at the time the European Economic Community) and the People's Republic of China in 1975.¹ The present framework of China-European Union relations is based on several key agreements and statements. In order to properly understand the potential contribution that the 16 + 1 format can make to China-European Union relations in general, it is necessary to have a knowledge of the basic impetus behind and overall goals of some of these instruments. The primary and foundational document is the 1985 Agreement on Trade and Economic Cooperation between the European Economic Community and the People's Republic of China. In its introduction it states that both parties entered into the agreement "Desiring on the basis of equality and mutual advantage, to intensify and diversify their trade and actively develop economic and technical cooperation in line with their mutual interests". Article 1 goes on to say that "The two Contracting Parties will endeavour, within the framework of their respective existing laws and regulations, and in accordance with the principles of equality and mutual advantage:

- to promote and intensify trade between them
- to encourage the steady expansion of economic cooperation.

Chapter II of the Agreement, which is entitled „Economic Cooperation”, contains Article 10, which states that „Within the limits of their respective competence, and with the main aims of encouraging the development of industry and agriculture in the European Economic Community and in the People's Republic of China, of diversifying their economic links, encouraging scientific and technological progress, opening up new sources of supply and new markets, helping to develop their economies and raise their respective standards of living, the two Contracting Parties agree to develop economic cooperation in all the spheres subject to

¹ EUR-lex: EU relations with China, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM:r14206>.

common accord,...” Article 11 states that „According to their needs and within the means at their disposal and as far as they are able, the two Contracting Parties shall encourage the application of the various forms of industrial and technical cooperation, for the benefit of their undertakings or organizations. In order to attain the objectives of this Agreement, the two Contracting Parties shall endeavour to facilitate and promote, among other activities:

- joint production and joint ventures;
- common exploitation;
- the transfer of technology;
- cooperation between financial institutions.
- visits, contract and activities designed to promote cooperation between individuals, delegations and economic organizations;
- the organization of seminars and symposia;
- consultancy services;
- technical assistance, including the training of staff;
- a continuous exchange of information relevant to commercial and economic

cooperation. The essence of the above mentioned provisions is the intensification and strengthening of cooperation in particular in the realm of trade and economics, as well as in other relevant areas. This is also the essence of the 16 + 1 platform. The 16 + 1 concept was conceived of after the 2011 China-Central and Eastern European Countries Economic and Trade Forum, which was held in Budapest.² Primary areas of focus with regards to such cooperation are trade and investment, finance, science and technology, agriculture, education, health and cultural relations, among others.³ It is explicitly acknowledged that the 16 + 1 format compliments the broader framework of EU-China relations, with President Xi Jinping himself having said that the 16 + 1 format is a component of the broader EU-China partnership.⁴ Additionally, it was stated in the Sofia Guidelines for Cooperation between China and Central and Eastern European Countries, which was issued at this year’s 16 + 1 summit in Bulgaria, that “The Participants underline that 16+1 Cooperation constitutes an important part of and a positive complementary to the relationship between China and the EU and that they are ready to work together, through this format and in line with their respective competences and existing commitments to ensure that China-EU relations continue to develop in a balanced way”.⁵ The Sofia Guidelines go on to say that “The Participants are ready to actively implement the Belt and Road cooperation MOUs that they signed to bring more results to this cooperation while maintaining its openness, based on

² China-CEEC 2017: 6th Summit of Heads of Government of Central and Eastern European Countries and China, <http://budapest.16plus1summit.com/>

³ Ibid.

⁴ Zhang Ming: “16 + 1” cooperation injects new vigour into China-EU cooperation, *Euobserver*, 28 November 2017, <https://euobserver.com/stakeholders/140044>

⁵ 09 July 2018, http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1577455.shtml

market rules and international norms which, on the part of EU member states would also complement relevant EU policies and projects”.⁶

It should also be mentioned that negotiations began in 2007 with the purpose of updating the basic framework of EU-China relations to the level of a Partnership and Cooperation Agreement.⁷ Due to the great expansion of relations between Europe and China since 1985, the present Trade and Economic Cooperation Agreement is no longer seen as fully adequate to act as a basis for the framework of bilateral relations, and instead a new Partnership and Cooperation Agreement would serve this task.⁸ Though there are various hurdles to the final development and execution of such an agreement in the future, nonetheless, if both China and the European Union believe such an agreement is beneficial to their interests and goals, the 16 + 1 format has definite potential to provide an added impetus to the creation of such an agreement, due to its intensification of relations between China and a key region of the European Union. It is worth noting that the platform has called for encouragement and support in “the ongoing EU-China negotiations over an ambitious and comprehensive investment agreement, which will contribute markedly to the development of the China-CEEC investment cooperation and will create a mutually favorable investment environment and market access for all companies.”⁹ In fact, in July 2018 at the EU-China summit, both sides agreed that such a future Comprehensive Investment Agreement is “a top priority and a key project towards establishing and maintaining an open, predictable, fair and transparent business environment for their respective investors.”¹⁰

China, Multilateralism and Europe

We may define multilateralism as a system of multiple states coordinating their relations with each other in order to achieve certain objectives in specific areas.¹¹ The EU-China Strategic 2020 Agenda, which may be described as the “guiding document” for China-European Union relations,¹² continuously stresses the principle of multilateralism. It states that “The world's trends toward multipolarity and economic globalisation are deepening. The importance of cultural diversity is growing, and an information society is fast emerging. Countries are increasingly interdependent, with their interests more closely intertwined than ever before.”¹³ It further states that “Promoting multilateralism remains crucial to ensure effective, coordinated and coherent responses to pressing global challenges. As important

6 Ibid.

7 European Commission: Closer partners, growing responsibilities, http://eeas.europa.eu/archives/docs/china/docs/eu-china_leaflet_en.pdf

8 Zhang Jiao: The EU-China relationship arriving at a bottleneck – A look at the ongoing negotiation of the PCA, College of Europe: InBev-Baillet Latour Chair of European Union-China Relations, Issue 4 2011, 2, https://www.coleurope.eu/system/files_force/research-paper/eu_china_observer_4_2011.pdf?download=1.

9 The Riga Guidelines for Cooperation between China and Central and Eastern European Countries, Chinadaily.com.cn, 6 November 2011, http://www.chinadaily.com.cn/world/201611attendsSCOCCEEC/2016-11/06/content_27286311.htm

10 Beatriz Rios: EU-China summit boosts negotiations towards an investment agreement, Euractiv, 17 July 2018, <https://www.euractiv.com/section/economy-jobs/news/eu-china-summit-boost-negotiations-towards-an-investment-agreement/>

11 Graham Evans and Jeffrey Newnham: The Penguin Dictionary of International Relations, Penguin Books, London, 1998, 340.

12 Seconded European Standardization Expert in China: EU-China cooperation, <http://www.sesec.eu/eu-china-cooperation/> 13 I, 3, http://eeas.europa.eu/archives/docs/china/docs/20131123_agenda_2020_en.pdf

actors in a multipolar world, the EU and China commit to enhancing dialogue and coordination at bilateral, regional and global levels, to meet regional and global challenges together, and work to make the international order and system more just and equitable.”¹⁴ Additionally, the European Union and China seek to “Reinforce cooperation in multilateral fora, including coordination before major meetings, to establish a rules-based, more efficient, transparent, just and equitable system of global governance, emphasis multilateralism ... and value the role of multilateral organisations and platforms...”¹⁵ The creation of the 16 + 1 platform can be seen as being in the spirit of this commitment to multilateralism and reinforcing this commitment, involving the creation of such a forum with EU Member States and prospective future members. In this sense, its creation and existence can be seen as fulfilling an important aspect of the EU-China Strategic 2020 Agenda. It should also be noted that more recently, at the 20th EU-China Summit held on 16 July 2018 in Beijing, which also saw the celebration of the 15th anniversary of the EU-China Comprehensive Strategic Partnership, a joint statement was released which said that “As comprehensive strategic partners, the EU and China will reinforce the global dimension of their partnership in order to promote peace, security and sustainable development. Both sides reaffirmed their commitment to multilateralism and the rules-based international order...”¹⁶

In recent times, particularly from the year 1978 we see a greater engagement from China with regards to international politics, with the country entering into many international treaties and agreements from that time.¹⁷ Important among these were the Sino-US entente, and joining the United Nations.¹⁸ A particularly important factor in the development of modern Chinese multilateralism was the economic policy and reforms pursued by Deng Xiaoping, which acted as an impetus for China broadening its international engagement.¹⁹ In recent times, there have been various multilateral initiatives within which the model of the 16 + 1 platform may be placed.²⁰ One example of this is China’s relations with ASEAN, which involves annual summits, the first one being held in 1991, aiming to strengthen relations, with a particular focus on political cooperation, security, economics, and socio-cultural cooperation.²¹ In the Central Asian region a major initiative in the context of Chinese multilateral policy was the creation of the Shanghai Cooperation Organization, which is made

14 I, 3.

15 I, 4, 3.

16 Joint Statement of the 20th EU-China Summit, 1, <http://www.consilium.europa.eu/media/36165/final-eu-cn-joint-statement-consolidated-text-with-climate-change-clean-energy-annex.pdf>

17 Gerald Chan: China Eyes ASEAN: Evolving Multilateralism *Journal of Asian Security and International Affairs*, 2(1), 83, http://www.waseda.jp/gsaps/eau/educational_program/PDF_WS2016/PKU_CHU_Reading%20_China%20Eyes%20ASEAN.pdf

18 Naina Singh: China’s Quest for Multilateralism: Perspectives from India, Selected Papers of Beijing Forum 2005, *Procedia Social and Behavioral Sciences*, 2 (2010), 7291, https://ac.els-cdn.com/S1877042810012164/1-s2.0-S1877042810012164-main.pdf?_tid=ad3568ee-4431-49ee-88d3-9f9316569311&acdnat=1524227968_142d09e9503e836d91a6d9f2af7518b1

19 Ibid.

20 We may define multilateralism as a system of multiple states coordinating their relations with each other in order to achieve certain objectives in specific areas. See Graham Evans and Jeffrey Newnham: *The Penguin Dictionary of International Relations*, Penguin Books, London, 1998, 340.

21 Association of Southeast Asian Nations: Chairman’s Statement of the 20th ASEAN-China Summit, 13 November 2017, Manila, Philippines, 1, <http://asean.org/storage/2017/11/FINAL-Chairmans-Statement-of-the-20th-ASEAN-China-Summit-13-Nov-2017-Manila1.pdf>

up of Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan.²² The Shanghai Organisation Charter was signed in June 2002, and came into force on 19 September 2003.²³ It aims to deepen ties among the signatory states in a number of areas, „strengthening mutual trust neighbourliness” among them.²⁴ Later, the Boao Forum came into being, inaugurated in Boao, Hainan Province, being an international organization which involves conferences that bring together leaders from government, business and industry with the aim of expanding cooperation both within Asia and between Asia and other regions of the world.²⁵

It has been noted that China’s approach to multilateralism contains different layers, which, in addition to more formal multilateral structure, also includes what has been termed „informal institutions” of multilateralism.²⁶ These involve groups of states which hold regular meetings, but are said to be based on the operating principle of „shared expectations”, with minimal institutionalization.²⁷ The 16 + 1 format can be seen as a manifestation of this model of multilateralism.

It can be argued that there is a certain degree of complementarity between China’s emphasis on multilateralism and the nature of the European integration project in the post-war period. The European project has had as one of its major operating principles the creation of strong interconnections in order to prevent conflict. Essentially, the integration of the European continent can be seen as a kind of peace project, the impetus being the two world wars that ravaged Europe in the first half of the century. This 16 + 1 format compliments the intrinsically multilateral nature of the European Union, thus having the potential to reinforce and deepen the positive relations between China and the European Union through a complimentary approach with regards to state interaction and cooperation. In this context, it is also worth considering the idea that has been proposed that in the future the 16 + 1 may very well be exported or introduced to other parts of Europe, as part of China’s broader engagement in the region.²⁸ This includes perhaps attempting to create such a platform in relation to the Nordic and the Mediterranean countries.²⁹ If such a development were to actually take place, it might very well be argued that 16 + 1 may have the ability to act as a kind of model for other regions of Europe that wish to strengthen and deepen their cooperation with China.

Central and Eastern Europe as a Gateway

Through the 16 + 1 format, the region of Central and Eastern Europe has the potential to act as a economic and cultural bridge between China and the broader European region. It goes without saying that the deepening of relations between China and the states participating in various capacities in 16 + 1 in such areas as trade, investment and the economy can help to

²² The Shanghai Cooperation Organisation: The Shanghai Cooperation Organisation, http://eng.sectsc.org/about_sco/

²³ Ibid.

²⁴ Ibid.

²⁵ Boao Forum for Asia: Overview, <http://english.boaoforum.org/gyltbjjsen.jhtml>

²⁶ Naina Singh: Engaging the Neighbours: China’s Diverse Multilateralism in Central Asia, ICS Analysis, Institute of Chinese Studies, June 2017, No. 47, 1, <http://www.icsin.org/uploads/2017/06/21/36d4264f7ef0052f230636a0964d4e67.pdf>

²⁷ Ibid 1-2.

²⁸ Gudrun Wacker: EU-China Relations: Horizon 2025, 91, Issue, Report No 35, July 2017, EU Institute for Security Studies, https://www.iss.europa.eu/sites/default/files/EUISSFiles/Report_35_Chinese%20futures.pdf

²⁹ Ibid.

deepen relations between China and Europe as a whole. Such projects as the Belgrade-Budapest railway are very concrete examples of this. Beyond this, however, it can also be said that cultural diplomacy is a very important element of China's Belt and Road Initiative in general, which is also the case for 16 + 1.³⁰ This is a perspective rooted in the historical experiences of the original Silk Road, which was not purely about trade or economic considerations, but also about cultural and intellectual exchange.

There are many examples that might be cited in this regard, but here one in particular shall be raised, relating to Greece, which, though not strictly one of the 16 + 1 states, has observer status in the organization and, is a major gateway for China into the South Eastern and Central European region. This is particularly the case due to the acquisition of Greece's Port of Piraeus by the state-owned Chinese Ocean Shipping (COSCO). COSCO became the operator of two of Piraeus' cargo piers in 2008,³¹ and later in 2016 acquired a majority stake in the Piraeus Port Authority.³² This has led to an enormous boost in output and efficiency, and has generally been seen as a great success story,³³ with the port becoming one of the fastest-growing and biggest in the Mediterranean.³⁴ This development and the subsequent deepening of ties between China and Greece, which is so fundamental and crucial to China's engagement with the Central and South Eastern European region and the European Union as a whole, has not been without the element of cultural diplomacy. For example, 2017 was declared the China-Greece Cultural Exchanges and Cultural Industry Cooperation Year.³⁵ Such cultural cooperation is seen within the context of strengthening the broader Sino-Greek relationship, and in fact, China's Ambassador to Greece, Zou Xiaoli, stated that strengthening the relations between the two countries on this cultural level also serves to strengthen the broader China-Europe relationship.³⁶ Furthermore, the President of the Greek Parliament Nikos Voutsis has also said that "We have excellent relations as peoples and countries especially in recent years in the financial, trade sector. We believe we are a bridge between Europe and China for the economy, as well as for culture".³⁷

The West Balkans, 16 + 1 and European Integration

The region of the West Balkans is one which experienced destructive and devastating ethnic conflicts during the period of the 1990s, and it is an area which continues to face

³⁰ Central Banking: Deepening China-EU trade relations, <https://www.centralbanking.com/central-banks/economics/3454321/deepening-china-eu-trade-relations>

³¹ "Greece announces deadline for port, railway privatization tenders", *China Daily USA*, 13 August 2013, http://usa.chinadaily.com.cn/world/2015-08/13/content_21593259.htm.

³² David Glass: China Cosco Shipping launches new projects in Greece at start of 2018, *Seatrade Maritime News*, 8 January 2018, <http://www.seatrade-maritime.com/news/europe/china-cosco-shipping-launches-new-projects-in-greece-at-start-of-2018.html>.

³³ Alexander Smotlczyk, "One Port, Two Worlds: China Seeks Dominance in Athens Harbor", *Der Spiegel*, April 9 2015, <http://www.spiegel.de/international/business/china-seeks-gateway-to-europe-with-greek-port-a-1027458.html>.

³⁴ Alkman Granitsas and Costas Paris, "Chinese Transform Greek Port, Winning Over Critics", *The Wall Street Journal*, November 20 2014, <http://www.wsj.com/articles/chinese-transform-greek-port-winning-over-critics-1416516560>.

³⁵ Xinhua: Greece, China inaugurate cultural exchange year in Athens, 28 April 2017, http://www.xinhuanet.com/english/2017-04/28/c_136244276.htm

³⁶ Ibid.

³⁷ Maria Spiliopoulou and Liu Yongqiu: China-Greece cooperation could advance faster, better, *Ekathimerini*, 17 June 2018, <http://www.ekathimerini.com/229754/article/ekathimerini/business/china-greece-cooperation-could-advance-faster-better>

serious obstacles and problems with regards to the state and economy.³⁸ Various factors have contributed towards making the West Balkans one of the most ethnically and religiously heterogeneous, economically underdeveloped, and politically unstable regions in Europe.³⁹ It has been the scene in the late 20th century for what Samuel Huntington termed the „Clash of Civilizations”.⁴⁰ The events associated with the collapse and subsequent conflicts in the former Yugoslavia have in many ways acted as defining moments for the European Union. For example, the lack of an adequate response to the conflict in Bosnia has been seen as a moment of failure for the EU, while the Kosovo conflict provided an impetus for the further development of the Common Foreign and Security Policy (CFSP).⁴¹ The European Union has adopted a regional approach in dealing with the West Balkan states and seeks to be a stabilising force in this area of Europe, particularly through the Stabilisation and Association Process. The EU has seen the enlargement process as a means of achieving this, and that the EU’s security is increased by the integration of acceding countries.⁴² As Olli Rehn, former EU Commissioner for Enlargement, had said, the EU’s ultimate goal in the region is to transform these countries „into the kind of neighbours we would like to have – stable, secure, well governed and prosperous. They will not be perfect ... but they will be fully part of mainstream Europe.”⁴³ The fact that these West Balkan states seeking European Union membership are participants in the 16+1 framework actually illustrates how it can potentially encourage and deepen this process by strengthening connections between countries in the region. The West Balkan’s European integration can be seen as being complimented and reinforced by the 16+1 format, which by its very nature causes the countries in the region, often with historic enmities, to cooperate and work together within a multilateral environment, potentially bringing about greater harmony between them. China itself is a supporter of the West Balkan region’s European integration⁴⁴ and it can be argued that it is in China’s interest that there be a common regulatory framework among the 16 + 1 countries, which would provide stability and consistency due to there being a shared system of norms and regulations.

As previously stated, the region of the West Balkans and the former Yugoslavia has been a theatre of conflict, both in recent times and in centuries past. Hungary, though not strictly belonging to this region, has had strong historic connections to it, with its pre-Trianon boundaries extending into this area. Hungary and Serbia and the former Yugoslavia have shared a sometimes difficult history, involving, for example, conflict in both World Wars, and with tensions even in the post-Cold War period. Relations between the two countries are now

³⁸ Milada Anna Vachudova, „EU Leverage and National Interests in the Balkans: The Puzzles of Enlargement Ten Years On”, *Journal of Common Market Studies*, Volume 52. Number 1 2014, 123.

³⁹ Mirza Kusljagic, „Development of Regional Cooperation in the Western Balkans” and EU Integration - Evaluation of Regional Cooperation Initiatives”, in *Dialogues: Ownership for Regional Cooperation in the Western Balkan Countries*, Friedrich Ebert Stiftung, 2009, p.47

⁴⁰ Samuel P. Huntington, 'The Clash of Civilizations?', *Foreign Affairs*, Summer 1993.

⁴¹ Jacques Rupnik: „The Balkans as a European question”, in „The Western Balkans and the EU: 'The Hour of Europe', ed. Jacques Rupnik, Chaillot Papers, June 2011, European Union Institute for Security Studies, Paris, 7.

⁴² Council of the European Union, „European Security Strategy: A Secure Europe in a Better World”, European Communities: Belgium, 2009, 16, 35.

⁴³ Olli Rehn: „Making the European Perspective real in the Balkans”, keynote address at the Conference 'Bringing the Balkans into Mainstream Europe' by Friends of Europe, Brussels, 8 December 2005, http://europa.eu/rapid/press-release_SPEECH-05-770_en.htm.

⁴⁴ Ivan Krastev: Europe is facing a potential crisis in the Balkans. It has to act soon, *The Guardian*, 21 February 2018, <https://www.theguardian.com/commentisfree/2018/feb/21/europe-crisis-balkans-eu-membership-russia-china-turkey>

flourishing, to a point that they may be said to be there best in recent history.⁴⁵ Hungary's Foreign Minister Péter Szijjártó himself has stated that "From among the neighbouring countries, Hungary has the best diplomatic and economic relationship with Serbia, and economic cooperation with Belgrade is also the most significant from among the countries of the Western Balkans".⁴⁶ This is in part attributable to Serbia's desire for European integration and Hungary's important role in encouraging and supporting this process.⁴⁷ One concrete manifestation of these positive relations, which has the potential to strengthen and develop ties even further within the broader context of the 16 + 1 format is the Belgrade-Budapest Railway. This joint China-Hungary-Serbia cross-border project is 350 km in length, and is designed for both cargo and passenger trains that will be able to reach a speed of 200km per hour.⁴⁸ It is envisaged that this railway will aid in the transport of Chinese goods that come to Europe through the Port of Piraeus.⁴⁹ This is a major example of the potential for cooperation and integration between countries in the Central and Eastern European region through the 16 + 1 format, which can lead to the deepening of connectivity between the participants in the project, who had experienced varying degrees of tension and strained relations in the past.

Another example where the 16 + 1 format may potentially strengthen the European integration process by causing cooperation between states with difficult and tense relations is in the case of Greece and The former Yugoslav Republic of Macedonia (FYROM), the latter being one of the 16 European states participating in the forum, while Greece, as has been noted already, at the moment has observer status. Greece objects to the use of „Republic of Macedonia” being used as FYROM's official name, with the name Macedonia also being used for a region in Greece.⁵⁰ The provisional name „The former Yugoslav Republic of Macedonia” (FYROM) was adopted, and is used in the context of the United Nations, the European Union, and NATO.⁵¹ Greece has vetoed FYROM's attempts to join the European Union until a solution can be found to this problem, the position of the Greek government being that it supports the use of a compound name.⁵² Recently there has been a breakthrough with regards to this matter with the signing of the Prespes Agreement by both countries on 17 June 2018, which stipulates that FYROM should change its name to the Republic of North Macedonia.⁵³ For this agreement to be fully realized it requires acceptance by the parliaments of both countries, as well as a positive referendum result and constitutional change in FYROM.⁵⁴

⁴⁵ B92: Historic high, crucial state: PMs Serbia-Hungary ties, 9 February 2018, https://www.b92.net/eng/news/politics.php?yyyy=2018&mm=02&dd=09&nav_id=103462

⁴⁶ Ministry of Foreign Affairs and Trade: Hungary has the best relationship with Serbia from among its neighbours, Website of the Hungarian Government, 17 October 2017, <http://www.kormany.hu/en/ministry-of-foreign-affairs-and-trade/news/hungary-has-the-best-relationship-with-serbia-from-among-it-neighbours>

⁴⁷ B92: Historic high, crucial state op. cit.

⁴⁸ Xinhua: Belgrade-Budapest railway construction starts, 29 November 2017, http://www.xinhuanet.com/english/2017-11/29/c_136787298.htm.

⁴⁹ Eszter Zalan: Hungary-Serbia railway launched at China summit, Euobserver, 29 November 2017, <https://euobserver.com/eu-china/140068>

⁵⁰ Hellenic Republic Ministry of Foreign Affairs: FYROM Name Issue, <https://www.mfa.gr/en/fyrom-name-issue/>

⁵¹ Ibid.

⁵² Ibid.

⁵³ Georgi Gotev: Tsipras and Zaev seal historic deal to end name dispute, Euractiv, 18 June 2018,

<https://www.euractiv.com/section/enlargement/news/tsipras-and-zaev-seal-historic-deal-to-end-name-dispute/>

⁵⁴ Ibid.

The governments of both countries believe that it is in their interests to settle the dispute and thus desire to bring it to a mutually acceptable conclusion.⁵⁵ These interests are, in the case of FYROM, gaining NATO membership and moving ahead on its road to achieving full membership of the European Union.⁵⁶ In Greece's case, a possible acceptable compromise has been seen as aiding the country in its pursuit of its economic and security interests, and affirming a regional leadership role in Euro-Atlantic institutions.⁵⁷ At the same time, these two states, sharing a common border, act as a gateway for European-Chinese connectivity. After Greece, FYROM is the next country along the Land Sea Express Route, which runs from Piraeus up to Hungary.⁵⁸ An incentive to finding solutions and long term cooperation may also be participation in the broader Belt and Road Initiative through the vision represented by the 16 + 1 format. As the President of the Greek Parliament, Nikos Voutsis has stated, "We are consolidating our relationship with the neighboring country, FYROM [Former Yugoslav Republic of Macedonia], through a deal that has a perspective and also helps to open the path for the Belt and Road also for trade. These moves are not coincidental".⁵⁹

Despite optimism from certain quarters, there are still fundamental difficulties ahead in order for this issue to be fully resolved. What is certain, however, is that the full acceptance of the solution proposed by the Prespes Agreement, which may involve a certain amount of difficulty for both sides, cannot be achieved without a strong conviction on the behalf of the political leadership and broader population that sacrifices made in coming to a compromise are in the respective countries broader national interests, with the advantages outweighing the perceived disadvantages. The benefits from intensifying relations with China in the context of a multilateral format may also be seen in this broader context. Thus, the hope of benefiting from engagement with China can act as an impetus to improve relations between the two states, thus also strengthening European integration and aiding in the bloc's future cohesion.

It cannot be denied that despite significant progress and the majority of West Balkan states having achieved Candidate Status, there is a clear lack of enthusiasm and scepticism in relation to the prospect of European integration among certain substantial segments of the population in the region. One such example is the case of Serbia, where, despite recent polls showing that the majority of the population supports European integration,⁶⁰ there is a major issue with euroscepticism in the country as a whole.⁶¹ It is a possibility that the European integration process may be seen in a more positive light if the 16 + 1 format, with all of its intrinsic potential, is seen as being aided and affirmed by European integration, with the two being complimentary and reinforcing projects. It may strengthen the idea that European integration is able to raise the standard of living as it aids such development projects as

⁵⁵ David L. Phillips: 'Win-win' on the name issue, *Ekathimerini*, 2 April 2018, <http://www.ekathimerini.com/227280/opinion/ekathimerini/comment/win-win-on-the-name-issue>

⁵⁶ *Ibid.*

⁵⁷ *Ibid.*

⁵⁸ Janne Suokas: Hungary opens public tender for landmark Chinese rail project, *Gbtimes*, 25 November 2017, <https://gbtimes.com/hungary-opens-public-tender-for-landmark-chinese-rail-project>

⁵⁹ Maria Spiliopoulou and Liu Yongqiu *op. cit.*

⁶⁰ Julija Simic: Most Serbs support EU membership, cite job opportunities, in new poll, *Euractiv*, 25 January 2018, <https://www.euractiv.com/section/enlargement/news/most-serbs-support-eu-membership-cite-job-opportunities-in-new-poll/>

⁶¹ Dragoljub Todic: Euroscepticism in Serbia: An Image Problem?, 2 November 2017, <http://emerging-europe.com/voices/euroscepticism-serbia-image-problem/>

ultimately envisaged by the 16 + 1 initiative. However, this is only possible if there is a common perception and proper awareness that this is a project with benefits, which is also connected to the need to cooperate with the countries and populations that inhabit the broader region. We may say that the European integration project, from its very inception in the post-war period, seeks to provide a vision to the peoples of Europe, one that is able to unite and inspire them in a way that allows them to look beyond purely national perspectives towards a common European identity which has as its ultimate aim peace and prosperity for its populations. The 16 + 1 format has the potential to reinforce this process in the West Balkans, in that it is a project that can cause cooperation between states in a region historically plagued by conflict until quite recent times, and which still has many tensions and unresolved issues.

However, despite these ideals and hopes, it must be remembered that a legal and regulatory reality exists in the European Union, in particular with regards to its relations to third states in the context of external relations law and norms, which may at times lead to complexities in the realisation of certain projects within the context of the 16 + 1 format. One such example is the Belgrade-Budapest railway. In the case of the section of the railway which is to be located in Serbia, a country which as of yet has not yet attained full membership, there is still an ability to engage in such projects with, we might say, a „greater ease”, as it does not fully have the obligations of a Member State of the European Union. However, the situation is different in relation to a European Union Member State such as Hungary, where certain questions were raised in relation to the project. In February 2017 the European Commission stated that it was investigating whether the plan complied with the European Union’s rules on procurement, which requires that in the case of large transport projects there be public tenders.⁶² This did subsequently occur, with the Hungarian government announcing in November 2017 the public call for tenders for the construction of the railway within Hungary, showing a desire to follow European Union procedure with regards to this important project.⁶³ However, what this example illustrates is that indeed, when dealing with European Member states, certain complexities of procedure may arise which must be properly addressed.

Conclusion

The 16 + 1 format has the ability to strengthen the China-European Union relationship on several levels. It is an initiative which compliments the established broader framework of China-European Union ties by encouraging the deepening of relations, connectivity and the principle of multilateralism. It potentially may provide an impetus for the deepening of European Union integration in the West Balkan region, offering an incentive to continue efforts towards attaining full European Union Membership in the case of countries with Candidate status. The 16 + 1 forum, due to its multilateral nature, can encourage these states with historically strained relations to cooperate and work together for mutual benefit. In addition, the region which 16 + 1 covers has the potential to act as a bridge between China

⁶² Suokas op. cit.

⁶³ Ibid.

and Europe, thus further strengthening and deepening the relationship between China and the European Union.

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