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## **COOPERATION WITH CHINA: FROM THE PERSPECTIVE OF THE AMBASSADOR OF UKRAINE**

Within the last years, the People's Republic of China transformed into one of the world economic and politic leaders with growing ambitious to the global leadership. Taking into account its current potential (in political, economic and military fields) and changes on the international stage, Beijing carefully but inevitably moves to the implementation of a "great state policy" by strengthening its influence over the world processes.

The external policy of Ukraine regarding China is defined namely by its growing political and economic standing in the world, possibility of the PRC to influence globally and regionally as well as promising character of the Chinese market for the national products. The People's Republic of China recognized Ukraine on December 27, 1991, and a week later, on January 4, 1992, diplomatic relations were established between our countries. Currently, the Embassy of Ukraine to the People's Republic of China (Beijing) and the General Consulates of Ukraine in the cities of Shanghai and Guangzhou operate in the territory of China. In our country, there are the Embassy of the People's Republic of China and the Consulate General in Odesa.

This year Ukraine and the PRC celebrated 26<sup>th</sup> anniversary of diplomatic relations establishment. By historical standards, this period may seem too short for the precise analysis; however, over the years, a huge step towards the development of Ukrainian-Chinese cooperation and deepening of friendship, which traditionally characterizes relations between Ukrainian and Chinese nations have been made. Bilateral relations between Ukraine and the PRC have strategic partnership character. China constantly supports sovereignty and territorial integrity of Ukraine, while Ukraine inevitably supports a "single China" policy. Taking into account ongoing recent changes and reforms in Ukraine, both parties are working to bring the bilateral relations to a new level.

The latest state visits of the Heads of State took place in 2011 and 2013, during which the basic documents were concluded, which at the present stage determine and legally establish the foundations of friendship and cooperation between the two states, as well as the achievements and priorities for further mutually beneficial development of Ukrainian-Chinese relations.

During the visit of the Head of the PRC to Ukraine in June 2011, Joint Declaration on the Establishment and Development of Strategic Partnership between Ukraine and the PRC was signed. The state visit of the former President of Ukraine to the PRC in December 2013 was marked by signing of the Treaty on Friendship and Cooperation between Ukraine and the People's Republic of China, the Joint Declaration of Ukraine and the PRC on Further Deepening of the Strategic Partnership Relations and the Program for the Development of Strategic Partnership Relations between Ukraine and the PRC for 2014–2018. The future of Ukrainian-Chinese cooperation, which gained momentum, seemed cloudless.

However, year 2014 affected Ukrainian-Chinese relations. The imperial policy of the Russian Federation, with which China has special ties, the military aggression of the RF against Ukraine, Moscow's attempts to destabilize other European countries and the unification of the civilized world have shown tectonic movements in relations between countries all over the world.

China that is characterised by special cautious in the foreign policy, took the position of “strategic expectation” and seemed not hurrying up to support any of the conflict parties, confiding to monitoring of the development of the situation. Although in 2014–2017 there was a veiled inhibition of political cooperation at the highest level induced by the PRC, Beijing invariably declared support for the sovereignty and territorial integrity of our state.

Despite a certain “cooling” of bilateral relations during this period, the dialog with Beijing lasted. Therefore in October 2014 Pavlo Klimkin, Minister for Foreign Affairs of Ukraine, carried out a meeting with Wang Yi, Minister for Foreign Affairs of the PRC, during the ASEM Summit in Milan.

In January 2015, Petro Poroshenko, President of Ukraine, met with Li Keqiang, Premier of the State Council of the PRC, in the framework of session of the World Economic Forum (Davos).

In January and December 2015, political consultations were held in Beijing at the level of the Ministries of Foreign Affairs of two countries on topical issues of bilateral relations and the UN.

The mechanism of inter-parliamentary cooperation between the Verkhovna Rada of Ukraine and the National People's Congress (NPC) is also actively used. In current composition of the Verkhovna Rada of Ukraine, there is a group of inter-parliamentary relations with the PRC – one of the largest in terms of the number of deputies-members – headed by people's deputy A. Pavelko. A group of friendship with Ukraine headed by Ms. Fu Ying, Chairman of the Foreign Affairs Committee, functions in the National People's Congress.

Within the framework of inter-parliamentary and inter-party contacts during 2015–2018, several groups of Ukrainian people's deputies and public figures made visits to the PRC. In December 2015, the International department of the Central Committee of the Communist Party of China came to Ukraine with an introductory visit.

Meeting between Petro Poroshenko, President of Ukraine, and Xi Jinping, President of the PRC that was held on April 1, 2016 within the framework of the Washington Summit on Nuclear Safety set the beginning of the restoration of the ascending route in the bilateral relations. The leaders of two states discussed the issues of cooperation intensification between Ukraine and the PRC, as well as the next meeting of the Ukrainian-Chinese inter-governmental commission on cooperation.

The next step was working visit of Pavlo Klimkin, the Minister for Foreign Affairs of Ukraine, to China on April 27–28 2016, during which he held negotiations with Wang Yi, Head of the Ministry of Foreign Affairs of the People's Republic of China; in addition Ukrainian Minister met with other officials of the PRC and took part in the 5<sup>th</sup> regular CICA Foreign Ministers' Meeting of the Conference on Interaction and Confidence-Building Measures in Asia.

The last year was the most prominent for the modern stage of Ukrainian-Chinese relations. On January 17, 2017 within the framework of meeting of the World Economic Forum Petro Poroshenko, President of Ukraine, held a meeting with Xi Jinping, President of the PRC, in the course of which the leaders of two states confirmed mutual interest in activation of political dialogue at the highest level and deepening of economic cooperation between Ukraine and the PRC. It was also agreed to hold the next, the third meeting of the Ukrainian-Chinese Intergovernmental Commission on Cooperation and arrange the participation of Ukrainian delegation in the international forum of initiative called "One Belt, One Road" (Beijing, May 2017) by the end of 2017. The confirmation of permanent support of the territorial integrity and sovereignty of Ukraine expressed by Xi Jinping was also important.

Meeting of the Heads of the MFA of Ukraine and the PRC, Pavlo Klimkin and Wang Yi accordingly, was held on September 18, 2018 within the framework of the 72<sup>nd</sup> session of the General Assembly of the UN in New York, during which the interaction of two countries in the leading international organisations was discussed.

On December 5, 2017 in Kyiv during the Third Meeting of the Commission for Cooperation between the Governments of two countries, separate meetings of the President of Ukraine Petro Poroshenko, Prime Minister Volodymyr Hroisman and First Deputy Prime Minister, Minister of Economic Development and Trade of Ukraine Serhii Kubiv took place with the Head of the Chinese delegation, Deputy Head of the PRC Government Ma Kai. The meetings allowed the parties to reach specific agreements regarding the implementation of large-scale joint projects.

The key role of the Agreement on Strategic Partnership between Ukraine and China belongs to its economic component.

China ranks first among Ukraine's trade partners in the Asia-Pacific region and remains one of its most promising ally. Therefore, today, while planning the

development of trade and economic relations between Ukraine and China it is important to take into account the tendencies in China's foreign and domestic policy, as for example, the issue of strengthening of own food security and active implementation of the construction of an "innovative state" allows us to maximize the potential of Ukraine.

In this context, Ukraine has great possibilities and favourable conditions to increase its export, compensate business for losses triggered by Russian market foreclosure, create conditions for significant accumulation of foreign investments, construct modern infrastructure that will form a real base for business development.

Intergovernmental agreements will contribute to this process, in particular regarding the joint participation of countries in the construction of the economic zone under the "One Belt, One Road" initiative, and the initiative of private business circles which plan to expand the geography of their business through private investments.

In this context in the end of 2017, during the meetings of the Sub-Commission on Trade and Economic Cooperation in Beijing and the Commission on Cooperation between the Governments of Ukraine and China in Kyiv, which took place during the visit of Vice Prime Minister of the People's Republic of China Ma Kai to Ukraine, important decisions were made to provide further development of Ukrainian-Chinese economic cooperation.

In summary documents of these intergovernmental dialogues Ukraine and China defined the main directions of cooperation for the following 2-3 years in the projects to which Chinese party is planning to invest up to 7 billion USA dollars.

The largest commodity exchange between Ukraine and the PRC was about 10 bln USD, and in 2017, it was recorded at the level of 7.7 bln USD. Over the past three years, we may observe the constant change in the structure of Ukrainian export to China. Share of the agricultural products, processing and food products already exceeds its raw material share. Last year the volume of trade in agrarian and food products with China amounted to almost one billion US dollars (half of all Ukrainian exports), ores – just over 700 million.

Ukraine has been exporting maize and barley to China for several years already, during this period crops have gained positive image in the Chinese market, and 95% of the sunflower oil imported to the PRC is of Ukrainian origin. Over the past two years, regulators in Ukrainian food sector and the Embassy managed to obtain permits from China to export dairy products, beef, sunflower meal and beet pulp. In the nearest future, it is expected to export feed additives, flour, honey, fish, fruit and berry products.

An important component of the economic cooperation is an investment partnership. During the last 3 years, along with the implementation of projects of

the national level, investment cooperation between Ukrainian and Chinese private structures has been also developed. In 2016, Chinese corporation COFCO Agri put into operation a transshipment complex of grain and oil crops with an annual capacity of 2.5 million tons in Mykolaiv Sea Commercial Port. Chinese company CNBM owns ten largest Ukrainian solar power stations located in Mykolaiv and Odesa regions (their total capacity comprises half of all Ukrainian solar power plants to date). Ukrainian telecommunications operator Prosat in cooperation with Chinese company XinweiGroup (one of the leading telecommunication companies in the world) are working on the mobile broadband multimedia communications network of 4<sup>th</sup> generation, which will cover the whole country. In China, in Chongqing city, a plant is under construction that will manufacture aircraft engines under Ukrainian licenses and with the direct participation of the world-famous Motor Sich Company. Last year China's largest commodity exchange, Bohai Commodity Exchange Co. Ltd. (BOCE) acquired 99.9% of the Ukrainian Bank for Reconstruction and Development.

Ukraine and China have already been identified with promising directions of investment cooperation. First of all, it is the use of Chinese capital to arrange manufacturing capacities in Ukraine – starting from the processing of agrarian and light industry to power engineering and collection of electric vehicles. Ukraine's access to the EU market will also contribute to the development in this direction.

Investments of Chinese corporations will have an impact on the development of the environmentally friendly and high quality agrarian market in Ukraine – from primary crop and livestock production to finished food products, which have recently become so popular with the Chinese consumer.

Among the important directions of work, there are investments in Ukrainian infrastructure, which ensures general development of the economics, cooperation in science and the development of new technologies, which has always been a strong side of Ukraine and attractive characteristics to our Chinese partners, and cooperation in the field of alternative energy, aimed first of all at providing energy security to Ukraine.

In general, at this stage, Ukraine, being the potential recipient of Chinese capital, should be guided by the principles that China uses to invest abroad, in particular in Europe. Along with the effective use of the available capital resources, successful implementation of pilot projects without signs of corruption schemes, we can aspire to the expansion of investment cooperation mechanisms, mitigation of the Chinese state lending and investment policies, inclusion of Ukraine to promising investment plans and programs, in particular regarding the infrastructure development, which links China with Europe.

The cultural and humanitarian sphere occupies one of the main directions in the cooperation between Ukraine and China. An important mechanism for

monitoring and regulation in this area is the Ukrainian-Chinese Sub-Commission on Cooperation in the Field of Culture, the fourth meeting of which took place in Beijing in November 2017. During the event, the parties discussed new trends in the development of cooperation in this direction, and reached a range of agreements on its substantial expansion, agreed on a draft Cultural Cooperation Program between the Ministry of Culture of Ukraine and the Ministry of Culture of the People's Republic of China for 2018–2022, signed on December 5, 2017, within the framework of the Third Meeting between the Intergovernmental Commission.

The diplomatic missions of the two countries play an important role in the development of cultural cooperation. It may be observed in the results of active cooperation of the Embassy of Ukraine to the People's Republic of China with the cultural and artistic institutions and non-governmental organizations of China (Central Academy of Fine Arts, Beijing People's Friendship Association with Foreign Countries, Li Czehan Art Academy, Chinese Artists Union, Chinese-Ukrainian Center for Cultural Exchanges, etc.). With the participation of these organizations over the past year, around 30 joint artistic events were organized in Ukraine and in the People's Republic of China. For example, the Ukrainian-Chinese art exhibition, co-organized by the Academy of Fine Arts of Ukraine, "One Belt, One Way. Meeting on the Dnipro River" was held in the National Museum Complex Gugun.

One of the most visible trends in cultural cooperation between Ukraine and China is China's growing interest in Ukrainian film and television production. For example, in September 2017 an agreement was signed on a joint Ukrainian-Chinese film production between Ukrainian company Film.ua and the Chinese one, called China International Art Business Alliance.

Prominent role in the expansion of cooperation is played by the Ukrainian House in Beijing, which became the platform for cooperation between our countries, a centre for topical meetings, presentations, and seminars on history, traditions and culture of our country with the participation of Ukrainian community and students.

In China, Ukrainian studies are actively developing. In addition to the centres of Ukrainian studies and Ukrainian language courses at five universities in Beijing, Shanghai, Dalian, Tianjin and Wuhan, centres of Ukrainian studies at the Shaanxi Professional and Technical Institute (Xi'an) and the Xi'an University of Foreign Languages started their work with the active assistance of the Embassy. The same centre will be opened in Harbin soon.

In general, the expansion of the areas of cultural and humanitarian cooperation between Ukraine and the People's Republic of China, as well as the activation of the relevant contacts provide significant opportunities for deepening practical cooperation, strengthening confidence and understanding among our nations.