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GRADUATION THESIS

on

**Analysis of economic cooperation of China and Russia under the background of
“One Belt And One Road”**

Master's degree student

signature, date

Wang Shiling

Academic adviser

signature, date

Vasin S.V.

Compliance supervisor

signature, date

Vlazneva S.A.

Reviewer

Doctor of Economic Sciences, Director of the
Penza Branch of the Financial University under
the Government of the Russian Federation

signature, date

Bondarenko V.V.

The thesis was approved for defence (record of the department meeting dated _____
no. _____)

Head of the Department

signature, date

Rozhkova L.V.

The thesis was defended and marked _____ (record of the State Examination Board
dated _____ no. _____)

Secretary of the SEB

signature, date

Rasskazova N. V.

Penza, 2021

FSBEI HE Penza State University
Institute of Economics and Administration
Department of Economic Theory and International Relations
Field of study 38.04.01 Economics,
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APPROVED BY:
Head of the Department
Doctor of Social Sciences,
Associate Professor
Rozhkova L.V.

«_____» _____ 20__

ASSIGNMENT
FOR THE GRADUATION THESIS OF

Master's degree student Wang Shiling, group 19ЭЭМ2(a), full-time mode of study

1 The topic of the graduation thesis: "Analysis of economic cooperation of China and Russia under the background of "One Belt And One Road""

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2 The deadline for the Master's degree student to complete the graduation thesis is 11.06.2021.

3 The input data for the graduation thesis is the regulatory and legal framework, scientific literature and reference books, and Internet data.

4 The list of issues to be studied includes history of "One Belt And One Road"; research status of "One Belt And One Road" strategy in Russia and China; opportunities of economic and trade cooperation between China and Russia under "One Belt And One Road" strategy; problems of economic cooperation between China and Russia under "One Belt And One Road" background; suggestions on strengthening economic cooperation between China and Russia under the background of "One Belt And One Road" initiative.

5 The list of visuals contains tables and figures.

6 The date of setting the assignment is 29.11.2019.

Academic adviser _____ / Vasin S.M. /
(signature) (full name)

The assignment was accepted by Master's degree student _____ / Wang Shiling /
(signature) (full name)

Schedule for completing the graduation thesis

No.	Content of the thesis	Deadline for completion	Due date, signature of the academic adviser
First year of study			
1	Analysis of scientific literature, choice and updating of the research topic	01.09.2019 – 28.11.2019	
2	Framing the scientific concept of research	29.11.2019 – 12.01.2020	
3	Devising the detailed plan of the first chapter and draft of the thesis	13.01.2020 – 23.02.2020	
4	Conducting theoretical research within the first chapter of the thesis	24.02.2020– 30.04.2020	
5	Preparing the first chapter of the thesis	1.05.2020– 30.06.2020	
Second year of study			
6	Collection of statistical data and material for the thesis	01.09.2020 – 30.09.2020	
7	Studying new literature sources within the topic of the thesis	01.10.2020 – 31.10.2020	
8	Conducting research within the first and the second chapters of the thesis	01.11.2020 – 31.12.2020	
9	Preparing the second chapter of the thesis	1.01.2021 – 1.03.2021	
10	Preparing the third chapter of the thesis	2.03.2021 – 2.05.2021	
11	Preparing the introduction and conclusion	3.05.2021 – 16.05.2021	
12	Completing the graduation thesis	17.05.2021 – 30.05.2021	
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14	Getting acquainted with the feedback and review	10.06.2021	
15	Presenting the written thesis	11.06.2021	

Academic adviser _____ / Vasin S.M. /
(signature) (full name)

The assignment was accepted by Master's degree student _____ / Wang Shiling /
(signature) (full name)

Summary

The graduation thesis comprises 65 pages, 3 chapters, 6 figures, 12 tables, 62 sources. ONE BELT AND ONE ROAD, ECONOMIC COOPERATION, CHINA, RUSSIA, EXPORT, IMPORT, INVESTMENT, ECONOMIC DEVELOPMENT.

The target of research is analyze the current situation and problems of bilateral economic and trade cooperation, and forecast the future development trend on the basis of summarizing experience.

The goal of work is firstly summarize and analyze the theory and current situation, propose the development problems of Russia and China under the background of "One Belt And One Road", and then put forward corresponding suggestions according to the problems

The methodological framework of the paper is formed by the complex of theoretical and practical methods such as international trade theory, geo-economic theory and regional cooperation theory.

The results of research include: economic and trade between China and Russia, and the "area" under the background of the harmony of trade relations between China and Russia to carding analysis, explore the strategy of "area" under the opportunities and challenges of economic and trade development between China and Russia, emphatically from the financial and trade cooperation contents cover the policy of communication, trade flow, financing and other aspects.

The theoretical relevance of the thesis is established by import and export data of trade cooperation between China and Russia, the flow of direct investment between the two countries, comparative advantage and other relevant indicators are analyzed from different angles, a comprehensive investigation of the complementary and competitiveness of trade between China and Russia.

The novelty of the research is that Russia and China should take the "One Belt and One Road" strategy as an opportunity to seize the new opportunities of global economic development, actively promote the strategic partnership of coordination between the two countries, strengthen economic and trade exchanges, so as to improve the economic strength and international status of the two countries and achieve mutual benefit and win results.

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Introduction

Economic belt "silk road" is the ancient silk road to China to further expand and extend, along with the depth in the field of national and regional trade and economic cooperation, will bring China's economic strength has increased, this is not a single development strategy, but to make China from multiple perspectives, interdisciplinary, and other national common development strategy, it has obvious geographical spatial characteristics. As a great power in the world, Russia has a vast territory and abundant resources of fossil fuels (such as natural gas and oil). However, its local industrial structure is not reasonable enough, which makes it particularly weak in its resistance to changes in the world pattern. In 2015, the overall strength of Russia continued to decline after the financial crisis. Under this background, Russia's attitude towards the strategic idea of building the "Silk Economic Belt" proposed by China has undergone a huge change. On May 8, 2015, Xi Jinping, together with Mr. Putin signed the economic belt on the silk road construction and the Eurasian economic union docking cooperation in a joint statement, shows that China's strategic vision for Russia's strong support, and lays the foundation for the future development of the two countries, the geographical advantages of the two countries together with China's energy needs a large number of imports of national conditions, Therefore, the economic cooperation between China and Russia is particularly important.

At present, win-win cooperation is the theme of The Times. With the advance of globalization, international trade and investment cooperation is deepening and interdependence among countries is deepening. The "One Belt And One Road" regional cooperation initiative proposed by President Xi Jinping conforms to the call of The Times for win-win cooperation. The policy of "One Belt And One Road" calls for the development of small-scale regional cooperation into large-scale regional cooperation by means of point to area and line to piece. The ultimate goal is to achieve closer economic ties, deeper mutual cooperation and broader space for development among countries and regions on the Eurasian continent. This is exactly the upgraded and new cooperation model that all countries along the Belt and Road are looking forward to. The strategic focus of the Belt

and Road Initiative is on economic and trade cooperation with the hinterland of the Eurasian continent and Central Asian countries to achieve common prosperity and development. From the perspective of countries along the One Belt And One Road, China and Russia occupy an important position. As big countries in economic development, Russia and China respectively occupy the second and fifth place in the world in terms of economic volume. They are friendly neighbors and huge economies on the world stage. At the same time, since the 1990 s, the bilateral economic and trade development in the twists and turns, so to speak, the international oil price fluctuations, Europe and the United States sanctions, as well as the domestic economic structure and other internal and external challenges can't be neglected, and "neighborhood" all the way for the development of economic and trade cooperation between the two countries undoubtedly provides a new opportunity, has injected new vitality, economic and trade cooperation between China and Russia has huge potential.

As one of the poles of the world economic development, China needs to make quick adjustments to its economic and political policies in the face of the changing global economic situation. Since 2015, China's foreign trade enterprises have encountered great difficulties, such as shrinking international orders and appreciation of RMB. Facing the shrinking international market and strong competition, foreign trade orders have decreased and export is difficult. Although Russia and China have natural geographical advantages, Russia has not been the focus of Chinese investment and trade. The complex changes in the international political situation in recent years have made China attach more importance to the joint cooperation with Russia, not only in the economic field, but also in other fields such as security and culture. Multilateral cooperation between China and Russia has become the development trend of the two countries. As for the research of this paper, the economic cooperation between China and Russia is too one-sided, and trade has always been inseparable in the economy. Therefore, the research direction of this paper is the development of economic and trade cooperation between China and Russia.

The research idea of this paper is to firstly summarize and analyze the theory and current situation, propose the development problems of Russia and China under the background of "One Belt And One Road", and then put forward corresponding suggestions

according to the problems. The main object of the literature review in this paper is the economic and trade cooperation between China and Russia. The theoretical basis is international trade theory, geo-economic theory and regional cooperation theory. Starting from the current situation, the problems are analyzed. The focus is to analyze the current situation and problems of bilateral economic and trade cooperation, and forecast the future development trend on the basis of summarizing experience.

The research methods of this paper are: literature survey method, through to the related literature and theory works collection, combined with the different ways of literature collection, the scholars at home and abroad to study relationship between Russia and China economic and trade cooperation between the two countries of monographs, journals, reports, policy as well as a variety of data collection and analysis, the economic and trade cooperation between China and Russia in present situation and the main problems of trade and investment analysis summary; empirical analysis using the latest collected data, the import and export data of trade cooperation between China and Russia, the flow of direct investment between the two countries, comparative advantage and other relevant indicators are analyzed from different angles, a comprehensive investigation of the complementary and competitiveness of trade between China and Russia, and then an empirical analysis. For the future China and Russia to further deepen the economic and trade cooperation to provide the possibility.

This paper based on the economic and trade between China and Russia, and the "area" under the background of the harmony of trade relations between China and Russia to carding analysis, explore the strategy of "area" under the opportunities and challenges of economic and trade development between China and Russia, emphatically from the financial and trade cooperation contents cover the policy of communication, trade flow, financing and other aspects, Thus put forward the idea of further developing Sino-Russian economic and trade cooperation, effectively promote the "One Belt And One Road" construction.

Chapter 1 History of "One Belt And One Road"

1.1 Historical review of "One Belt And One Road"

In 1877, German geographer Richthofen named "the Silk Road" in his book China, "from 114 BC to 127 AD, the transportation route in the western regions between China and Central Asia and between China and India through the medium of silk trade". Later, in his book The Ancient Silk Road between China and Syria published at the beginning of the 20th century, German historian Hermann further extended the Silk Road to the west coast of the Mediterranean Sea and Asia Minor based on newly discovered archaeological relics and materials, and defined the basic connotation of the Silk Road. That is, it was the ancient China through the Central Asia to South Asia, West Asia, Europe, North Africa land trade channel [13, p. 25].

During his visits to Kazakhstan and ASEAN countries in 2013, President Xi Jinping put forward the initiative of building the Silk Road Economic Belt and the 21st Century Maritime Silk Road, collectively known as the "One Belt And One Road" strategic thinking. The Belt and Road Initiative was written into the Decision of the Central Committee of the Communist Party of China on Some Major Issues Concerning Comprehensively Deepening the Reform, and into the Government Work Report in 2014, making it a strategic goal of China's external development. "The Belt and Road" is a national strategy proposed by China for the first time and will be promoted in an all-round way, which is of great significance in deepening China's modernization drive, institutional reform and consolidating its economic position [52, p. 34]. In the past 20 years of close economic and trade cooperation between China and Russia, through continuous efforts of both sides, breakthroughs have been made in the fields of economic cooperation, such as economy, trade, infrastructure construction and energy. Cooperation has been continuously optimized and economic dependence has been strengthened. The trade volume between China and Russia has repeatedly broken historical records, from the initial trade volume of 5.8 billion US dollars to 89.2 billion US dollars in 2013 and the peak trade volume of 110 billion US dollars in 2019. As an important cooperative relationship between China and Russia, it is believed that under the

implementation of the "One Belt And One Road" strategy, the two countries will achieve better results [51, p. 35].

"One Belt And One Road" is a road of win-win cooperation to promote common development and prosperity, and a road of peace and friendship to enhance mutual understanding and trust and strengthen all-round exchanges. The Chinese government proposes to uphold the principles of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit, advance practical cooperation on all dimensions, and build a community of shared interests, shared future and shared responsibilities featuring political mutual trust, economic integration and cultural inclusiveness. "One Belt And One Road" runs through the Eurasian and African continents, connecting the dynamic East Asian economic circle at one end and the developed European economic circle at the other. The vast hinterland countries in the middle have huge potential for economic development. The Silk Road Economic Belt focuses on connecting China, Central Asia, Russia and Europe (the Baltic Sea). China connects with the Persian Gulf and the Mediterranean Sea through Central and West Asia; China to Southeast Asia, South Asia, Indian Ocean. The 21st Century Maritime Silk Road will stretch from China's coastal ports through the South China Sea to the Indian Ocean and extend to Europe.

From China's coastal ports across the South China Sea to the South Pacific. In line with the "One Belt And One Road" vision, China will jointly build a new Eurasian Land Bridge, China-Mongoland-Russia, China-Central Asia-West Asia, China-Indo-China Peninsula and other international economic cooperation corridors on land, relying on the international major corridors, with the support of major cities along the routes and key economic and trade industrial parks as cooperation platforms. At sea, China will work together to build smooth, safe and efficient transport corridors, with key ports as nodes. The China-Pakistan Economic Corridor and the Bangladesh-China-India-Myanmar Economic Corridor are closely linked to the "One Belt And One Road" development. China need to further promote cooperation and achieve greater progress.

The strategic goal of "One Belt And One Road" is to build a community of interests, destiny and responsibility featuring political mutual trust, economic integration and cultural inclusiveness. It is a community of mutually beneficial interests, destiny and responsibility

for all countries in the world, including the Eurasian continent. "One Belt And One Road" is about sharing quality production capacity, discussing project investment, building infrastructure and sharing cooperation outcomes between China and countries along the Silk Road. It includes connectivity of roads, unimpeded trade, currency circulation, policy communication and people-to-people exchanges. It shoulders three major missions:

Seek ways to grow the economy. "One Belt And One Road" is a major innovation that China, as the locomotive of world economic growth in the post-financial crisis era, has transformed its advantages in production capacity, technology and capital, experience and model into advantages in market and cooperation, and implemented all-round opening-up. Through the Belt and Road Initiative, China can share the dividends of China's reform and development and the experience and lessons of China's development. China will work hard to promote cooperation and dialogue among countries along the Belt and Road, build a new type of global partnership for development that is more equal and balanced, and consolidate the foundation for long-term steady growth of the world economy [60, p. 129].

Rebalance globalization. Traditional globalization originated from the sea. Coastal areas and maritime countries developed first, while land-based countries and inland countries lagged behind, creating a huge gap between the rich and the poor. Traditional globalization, initiated by Europe and carried forward by the United States, has formed the "Western-centric theory" of the international order, resulting in a series of unbalanced and unreasonable effects, such as the East being subordinated to the West, the countryside to the city, and the land to the sea.

Today, One Belt And One Road is driving global rebalancing. The Belt and Road Initiative encourages westward opening-up, promotes the development of the western region, Central Asia, Mongolia and other landlocked countries and regions, and promotes the concept of inclusive development of globalization in the international community. At the same time, "One Belt And One Road" is China's initiative to promote its high-quality production capacity and comparative advantage industries to the west, which will benefit the countries along the Silk Road and along the coast first. It has also changed the historical appearance of the belt along the Silk Road such as Central Asia, which was only a corridor

for trade and cultural exchange between the east and the west and became a "depression" for development.

This has gone beyond the gap between rich and poor and the imbalance in regional development caused by globalization pioneered by the Europeans, and promoted the building of a harmonious world of lasting peace, universal security and common prosperity.

Create a new type of regional cooperation. China's reform and opening up is the biggest innovation in the world today, "One Belt And One Road" as an all-round opening up strategy, is using economic corridor theory, economic belt theory, the 21st century international cooperation theory and other innovative economic development theory, regional cooperation theory, globalization theory. "One Belt And One Road" emphasizes the principle of extensive consultation, joint contribution and shared benefits. It goes beyond the Marshall Plan, foreign aid and the "going global" strategy and brings a new concept to international cooperation in the 21st century [42, p. 31].

"Economic zone" concept, for example, is the innovation of regional economic cooperation pattern, in which economic corridor – economic corridor between China and Russia, the new Asia-Europe continental bridge, China – central Asia economic corridor, China – China and India Indochina economic corridor and so on, with economic growth pole radiation surrounding, beyond the traditional theory of development economics.

Economic belt "silk road" concept, is different from the history of all kinds of "economic zone" and "economic union", compared with more than two, economic belt has high flexibility, wide applicability and operability is strong, the characteristics of all countries are equal participants, in line with the voluntary, collaborative propulsion principle, carry forward the ancient silk road is compatible and the spirit of the package.

To advance the "One Belt And One Road" development, China will make full use of the comparative advantages of various regions in the country, implement a more proactive strategy of opening up, strengthen interaction and cooperation between the East and the West, and comprehensively improve the level of the open economy.

Northern area: China should give full play to XinJiang's unique geographical advantages and its role as an important window of westward opening-up, deepen exchanges and cooperation with countries in Central, South and West Asia, and build XinJiang into a

major transportation hub, trade, logistics, culture, science and education center on the Silk Road Economic Belt, and a core area of the Belt.

Play and NingXia, ShanXi, GanSu comprehensive economic culture in QingHai national cultural advantage, to build Xi 'An continental's reform and opening up new heights, speed up the development of LanZhou, XiNing, promoting the construction of inland open economy in NingXia area, to construct a channel in the central Asia, South Asia, west Asia country, trade and logistics hub, the important industry and the cultural exchanges.

China should give full play to Inner Mongolia's geographical advantage in connecting Russia and Mongolia, improve the railway corridor connecting Heilongjiang Province with Russia and the regional railway network, and cooperate with Russia's Far East on land-sea multimodal transport between Heilongjiang, Jilin and Liaoning provinces. China should move forward with the construction of the Beijing-Moscow Eurasian high-speed transport corridor, and build an important window open to the north.

Southwest: Play the unique advantages of Guangxi and Asian countries adjacent sea, speed up the Beibu gulf economic zone and the pearl river, west river economic zone opening development, the building of the Asian region oriented international channels, build the southwest, central south areas open to develop new strategic fulcrum, the formation of maritime silk road and the silk road in the 21st century economy important portal of organic cohesion [34, p. 4].

China should give full play to Yunnan's geographical advantage, promote the building of an international transport corridor with neighboring countries, build a new highland of economic cooperation in the Greater Mekong Subregion, and turn it into a radiating center open to South and Southeast Asia. China will promote border trade, tourism and cultural cooperation between Tibet and Nepal and other countries.

Coastal and Hong Kong, Macao and Taiwan areas: China will leverage the advantages of the Yangtze River Delta, the Pearl River Delta, the west coast of the Taiwan Straits, the Bohai Rim, and other regions with economic zones that are highly open, strong, and play a leading role in promoting development, accelerate the development of the China

(Shanghai) Pilot Free Trade Zone, and support Fujian Province in building itself into a core area of the 21st Century Maritime Silk Road [36, p. 60].

China will give full play to the role of Qianhai in Shenzhen, Nansha in Guangzhou, Hengqin in Zhuhai, and Pingtan in Fujian, deepen cooperation with Hong Kong, Macao and Taiwan, and develop the Guangdong-Hong Kong-Macao Greater Bay Area.

China will promote the development of the Zhejiang Marine Economy Development Demonstration Zone, the Fujian Strait Blue Economy Pilot Zone and the Zhoushan Islands New Area, and step up efforts to develop and open up Hainan as an international tourism island. China will strengthen the port construction of coastal cities such as Shanghai, Tianjin, Ningbo-Zhoushan, Guangzhou, Shenzhen, Zhanjiang, Shantou, Qingdao, Yantai, Dalian, Fuzhou, Xiamen, Quanzhou, Haikou and Sanya, and strengthen the functions of international hub airports such as Shanghai and Guangzhou. China will further open up to force deeper reform, create new systems and mechanisms for an open economy, step up innovation in science and technology, create new advantages for participating in and leading international cooperation and competition, and become a vanguard and a major force in the development of the One Belt And One Road, especially the 21st Century Maritime Silk Road.

China will give full play to the unique role of overseas Chinese and the Hong Kong and Macao Special Administrative Regions, and actively participate in and contribute to the development of the One Belt And One Road. China will make proper arrangements for the Taiwan region to participate in the One Belt And One Road development.

Outback: China will take advantage of the vast depth, abundant human resources and strong industrial base of the inland to promote regional interaction and cooperation and industrial agglomeration.

To build Chongqing into an important support for the development and opening up of the western part of the country and an inland economic powerhouse of Zhengzhou, Wuhan, Changsha, Chengdu, Nanchang, Hefei and other inland cities.

China will accelerate cooperation between the middle and upper reaches of the Yangtze River and the Russian Federal Region along the Volga River. China will establish a coordination mechanism for railway transport and port customs clearance along the China-

Europe Corridor, build the brand of China-Europe Railway Express, and build a transport corridor connecting the East, the West and China at home.

China will support Zhengzhou, Xi 'an and other inland cities in building airports and international land ports, strengthen customs clearance cooperation between inland ports and coastal and border ports, and carry out pilot e-commerce services for cross-border trade. China will improve the layout of special customs supervision areas, create new models of processing trade, and deepen industrial cooperation with countries along the Belt and Road [4, p. 24].

Many of China's production sectors have been facing overcapacity since 2006. The Chinese leadership hopes to solve the problem of overproduction by exploring new markets in neighboring countries through "One Belt And One Road". The "One Belt And One Road" initiative will provide more opportunities for the development of China's less developed border regions. China also intends to explore new investment options that preserve and increase the value of the capital accumulated in the last few decades. "One Belt And One Road" has the potential to grow into a model for an alternative rule-maker of international politics and could serve as a vehicle for creating a new global economic and political order.

But there are significant risks associated with China's "One Belt And One Road" strategy. China's neomercantilism lacks sensitivity when addressing some issues in host countries, particularly regarding culture, environment and ethnicity. Beijing's authoritarian approach may also impede effective cooperation with democratic countries

The China-Pakistan Economic Corridor (CPEC) project is a prime example of the risks and challenges facing China. CPEC is a combination of transport and energy projects and includes the development of a major deep-sea port offering direct access to the Indian Ocean and beyond. Plans for CPEC were officially formalized in April 2015. According to the agreements of both sides, total costs for the projects currently under construction amount to 46 billion dollars. Should all the planned projects be implemented, the combined value of the projects would be equal to all foreign direct investment in Pakistan since 1970, and would be equivalent to 17 % of its 2015 GDP.

The Chinese leadership sees Pakistan as one of its most longstanding and committed allies. This is why CPEC is being treated as a poster child for the OBOR initiative. Still, many uncertainties exist which could topple the project. CPEC faces domestic political opposition in Pakistan, with infighting between provinces and the central government over the allocation of investment. A more serious issue is that of security. On the Chinese side, the East Turkestan Islamic Movement (ETIM) is hindering Chinese efforts, while on the Pakistani side the Pakistani Taliban and other anti-state militant groups pose an immense threat to construction crews and could disrupt the flow of goods.

With this in mind, in the short term, China's "One Belt And One Road" initiative will likely only deliver very modest results despite immense investments. It is still hard to predict whether China's OBOR projects will be effective over the medium-to-long term as this depends on the responsiveness of both governments to challenges, as well as the external environment.

At present, with the continuous deepening and reform of "One Belt And One Road" strategic system, strengthening bilateral trade exchanges and promoting the process of international economic exchanges have a position that cannot be underestimated in the national strategic system[4]. The setting of "One Belt And One Road" strategy is based on the premise of interconnection of countries and regions on each border. Under the strategic principle of "One Belt And One Road", it must provide a more efficient and convenient platform for the development of trade between China and Russia. Therefore, it is of great practical significance to take "One Belt And One Road" as an opportunity to study the economic and trade relations between China and Russia.

1.2 Research status of "One Belt And One Road" strategy in Russia and China

One of the most famous books about the economic and trade cooperation between Russia and China in the context of One Belt And One Road is *The Future Development of Russia-China Trade*, which is edited by the Russian economist Bogoyevinov [33, p. 49]. The author argues that formal trade is the most important part of the bilateral cooperation.

From the book, China and Russia must start from the perspective of law, from the legality of trade control, let more Chinese exports to be widely accepted by the Russian people, to crack down on illegal trade, to ensure the long-term stability of the bilateral trade partnership. In real life, the biggest problem in the bilateral economic and trade cooperation is the lack of timely and adequate information exchange, which has led to a crisis of trust between China and Russia and the possibility of deception [41, p. 29].

To sum up, the following table summarizes the different research viewpoints of China and Russia.

Table 1 – Different point of view in Russia and China [22, p. 40]

China	Russia
Focus on the structure and category of Chinese and Russian goods	Economic cooperation between the two countries is not timely information exchange, there is a crisis of confidence
Chinese economists believe that energy cooperation should be carried out to adjust the energy structure	Analysis from Russia domestic industry scale and economic development
Trade barriers exist in the economic cooperation between the two countries	Russian economists analyze and predict the future direction of economic cooperation between China and Russia from a historical

Russia is located in the east side of the European continent, across the two continents of Europe and Asia, is a world power, its vast territory, has a very rich energy resources, is one of the largest natural gas, oil exporting countries, China and Russia are adjacent, the mutual exchanges between the two countries play a vital role in the development of each other. China's economy ranks top in the world and its population is the largest in the world, while Russia's economic strength cannot be underestimated, with its land area being the largest in the world. Both countries are BRICS countries [26, p. 136]. If the two countries have friendly exchanges, they will surely have excellent prospects for development. 2019 is the 70th anniversary of the establishment of diplomatic ties between China and Russia, at this important historical node, in the "silk road economic belt" and "Marine silk road" in the 21st century under the guidance of development strategy, in keep original trade structure

between China and Russia, to continue the original industry, on the basis of cooperation, to maintain the original trade scale in the field of aerospace, energy, will also have a greater input, We will also strengthen infrastructure construction, attach importance to cooperation in high-tech fields and actively promote agricultural cooperation. The 70-year anniversary of the establishment of diplomatic ties between China and Russia represents a key opportunity for both China and Russia to advance their comprehensive strategic coordination [28, p. 27].

The Shadow Economy Analysis of Russia and China is edited by economists Alikosei Yanov and Vladimir Guanov of the Russian Academy of Sciences. In the book, the shadow economy of China and Russia is discussed and studied, and the impact of the shadow economy is mainly analyzed [37, p. 30]. The book reflects that in the process of institutional transformation, under the influence of the shadow economy in China and Russia, the tertiary industry is highly concentrated, the tax revenue is heavily lost, the government cannot accurately predict the trend of the national economy and make choices, and its ability to regulate and control the social economy is weakened. Under this background, the stability of the future development of China and Russia in the field of economic and trade cooperation is threatened [57, p. 128].

Ann V. Ostolovsky (2012) analyzed the development opportunities of Russia from the perspective of promoting the integration process of East Asia. He believes that Russia should actively participate in the development of East Asia, especially with the help of China's strategy of revitalizing the old industrial base in Northeast Asia, strengthen cooperation, integrate into the economic circle of Northeast Asia, so as to promote the development of Russia's Far East. In 2012, Sasatra Sudsawasd (2012) made an empirical analysis of the trade integration in East Asia by using the gravity model of bilateral trade, and drew the conclusion that the construction of East Asian free trade area has both favorable and unfavorable factors for member countries. The development of intra-industry trade will be more beneficial to the economies of East Asia Free Trade Area members. In 2012, Yishayev (012) pointed out that at present, many countries in the world have planned to establish free trade zones with Russia, and Russia has ushered in the golden era of free trade zone construction [6, p.17].

There are also numerous studies on the future trend of economic and trade cooperation between Russia and China. Voskresensky Alexander Dmitrievich in *Russia-China Relations in the Form of Russian Diplomacy (1990–2015)* believes that the history of economic relations between Russia and China can be divided into two stages. The two phases are different in terms of dynamics, scale, economic exchange and operational content, and the dynamics of development. The first phase can be defined from 1992, that is, from the beginning of direct trade and economic relations between China and Russia until the end of the century. The second phase began in the new millennium and continues to the present day. Between 1993 and the 2000s, its share of foreign trade with China fell from 3.9 % to 1.7 %. Since 2000, trade cooperation between China and Russia has been flourishing. Bilateral trade between China and Russia increased sevenfold to 55.9 billion dollars between 2000 and 2008, from 395 billion dollars in 2009 (when the country's foreign trade fell due to the global financial and economic crisis), to 59.3 billion dollars in 2010. Moreover, the two countries have created an effective legislative base and have since 1992 signed a number of documents: the Agreement on Trade and Economic Relations, the Agreement on the Promotion and Mutual Protection of Investment and other types of interrelated documents. These documents cover a wide range of fields, ranging from the energy industry to agriculture and forestry. They also have a huge impact on the country's long-term strategic goals [7, p. 26].

Under the background of economic globalization, China and Russia have maintained continuous economic and trade ties by virtue of their geographical advantages. In particular, with the political interaction between the two countries entering the best period in history, the economic exchanges between the two countries are even more intense and frequently. Therefore, since the "One Belt And One Road" strategy came into being, the economic development issues of China and Russia have attracted much attention from domestic academic circles.

Yu Haiqiu (2016) firstly explained in detail the feasibility of the cooperation between China, the EU and Russia and the construction of the northern route of the Silk Road with the help of foreign trade correlation analysis, and affirmed the prospect of the economic cooperation between China and Russia. Secondly, in terms of the influencing factors of

China-Russia cooperation, Zhang Meng (2013) pointed out in his research that in the economic and trade cooperation between China and Russia, Russia's exports to China mainly focus on energy products and the commodity structure is relatively single. However, China's exports to Russia are concentrated in the primary products with a relatively low product level and diversified commodity structure. Therefore, the two countries should enrich the categories of bilateral trade commodities in bilateral trade. Xiaotao Zhang (2017) combined with global competitiveness index, the index of doing business, business costs, comparative advantage index, such as statistical indicators, comparative analysis the Russian compared with neighboring countries in terms of the investment environment advantages and deficiencies, stressed that China and Russia to raise in the process of cooperation, make full use of policy, technology and other means to improve the investment environments [61, p. 24].

Jia Shaoxue (2017) advocated that China and Russia should focus on energy cooperation, adjust the energy investment system, strengthen the legal norms in the process of environmental protection, resource exploitation and enterprise control, so as to give play to the advantages of Russia as a major energy country. Xu Zhenbao and Li Zhemin (2016) believe that China and Russia have strong complementarity in agricultural production and trade of agricultural products, and agricultural cooperation has broad prospects for development. As long as we identify the right position, take science and technology as the support and investment mechanism as the guarantee, and gradually expand agricultural cooperation, China and Russia are bound to achieve great economic development. However, Chen Meng and other scholars (2016) focused on the discussion of China-Russia cooperation on the Russian hotel industry. Through the PESTEL model, they compared and analyzed the differences between Russia and Thailand in economy, culture, population and other related aspects, and advocated that China's hotel investment projects in Russia should be targeted at business hotels and the types of hotels that provide accommodation for guests [30, p. 31]. Guo Li (2010) pointed out that Russia still sets high tariff barriers against China in some areas, so it is imperative for both sides to actively negotiate and formulate tariff reciprocal policies, improve the coordination mechanism between China and Russia, and constantly regulate bilateral trade under the framework of the WTO system. From the

perspective of regional economics, Li Jingyu and Zhang Lu (2013) identified the obvious advantages of the geopolitical relationship between China and Russia in their article "Practical Demonstration on the Strategic Upgrade of China-Russia Economic and Trade Cooperation", so as to promote the strategic goal of bilateral economy and trade. The economic and trade cooperation between China and Russia has entered a new stage of rapid development, which provides a new historical opportunity and opportunity for the strategic upgrading of the economic and trade cooperation between the two countries.

Wu Ran (2016) pointed out in "Brief Analysis of Sino-Russian Trade Cooperation under the New Normal Economy" that with the adjustment of China's economic structure. The economic development and comparative advantage of factor endowment of China's foreign trade are changing. The international trade between China and Russia has seen a new normal development. The geographical location adjacent to the two countries has huge potential for bilateral trade cooperation. At present, China and Russia trade problems, and from the trade product structure, legal system, scientific and technological cooperation and talent exchange points out the corresponding countermeasures. From the perspective of economic development of China and Russia. It is pointed out that the two sides have complementary advantages in trade cooperation and good prospects for economic development. It is pointed out that should promote the trade cooperation and development between China and Russia under the background of the new normal of Sino-Russian trade cooperation [53, p. 71].

Qin Zhuo (2015) pointed out that China and Russia have always been important trading partners of each other. In the past decade, bilateral trade between China and Russia has witnessed the fastest continuous growth, the most frequent trade activities, the largest trade volume and the fastest growth rate in history. With the deepening of economic and trade cooperation between the two countries and the continuous improvement of economic dependence between the two countries, the overall relationship between China and Russia has been deepening and expanding.

In "Research on the Realist Basis and Strategic Optimization of China-Russia Economic and Trade Cooperation", Lou Qianfei pointed out that since the beginning of the 21st century, the economic and trade cooperation between China and Russia has been

significantly accelerated under the impetus of favorable factors such as geographical advantages, good political relations between the two sides in international politics, and cultural identity. At the same time, there are some problems in the economic and trade cooperation between China and Russia including the low level of trade in goods, single trade mode, imbalance in bilateral trade, small trade scale, and unreasonable product structure, which affect the further development and promotion of bilateral trade to a certain extent. And also through the study and analysis of Sino-Russian economic and trade cooperation facing opportunities proposed that both sides should expand the trade scale, improve the trade structure, open trade in services and labor cooperation, increase foreign direct investment in order to promote the development of bilateral relations between China and Russia.

Liu Zhizhong 2017 "Competitiveness, Complementarity and Development Potential of China-Russia Bilateral Trade under the" One Belt And One Road "Initiative" wrote that bilateral trade volume between China and Russia has dropped sharply recently. However, the two countries are highly complementary to each other and there is still broad space for cooperation between China and Russia in trade cooperation. The extended gravity model is also used. Taking emerging market countries as samples the development potential of bilateral trade between China and Russia is estimated. According to the analysis of trade potential, China and Russia have significant trade cooperation potential. Finally, it puts forward the countermeasures to strengthen the economic and trade cooperation between China and Russia under the "One Belt And One Road" initiative [35, p. 45].

Ban Ze Jin 2017 in the background of "One Belt And One Road" Russia and Russia economic and trade cooperation of the status quo, problems and suggestions "one article pointed out that at the present stage of the relationship between Russia and China in general in a good rise period, but the economic and trade cooperation between the two countries still has a considerable number of problems. The "One Belt And One Road" initiative especially in the Silk Road Economic Belt and the Eurasian Economic Union under the new vision of cooperation in the Eurasian Economic Union, the trade cooperation between China and Russia has a great potential for cooperation and development prospects.

Chapter 2 The status of economic cooperation between China and Russia under the background of "One Belt And One Road"

2.1 Economic cooperation between China and Russia under the background of "One Belt And One Road"

Although the "One Belt and One Road" strategy was first proposed by China, the implementation of this grand strategy is not a solo, but a chorus that requires the concerted efforts of the participating countries. As an internationally renowned energy country with advantageous geographical location and strong economic strength, Russia is not only one of the most important trading partners of China, but also an important participating country along the "One Belt And One Road" route. China and Russia are not only close trading partners, but also BRICS countries, representatives of emerging economies, which have a lot in common. These common points constitute an important foundation for win-win cooperation between China and Russia. In essence, the construction of "One Belt And One Road" is a systematic project [54, p. 5]. On the basis of adhering to the principle of wide consultation, joint construction and sharing, we should actively communicate with Russia about the doubts or problems that may exist in the process of participation, so as to actively promote the mutual docking with Russia's development strategy.

At present, China and Russia have seized the opportunity to conduct in-depth cooperation in the financial sector, expanding the scope of cooperation and deepening the level of cooperation. The financial cooperation between China and Russia takes the financial cooperation in neighboring regions as the starting point, develops the mutual calculation and settlement of local currencies from scratch, and conducts close cooperation among commercial banks. Single from the perspective of the business of commercial Banks, China development bank and three big financial institutions in Russia has signed a cooperation agreement, the bank has also changed the nature of, originally just clearing houses, has now developed into both responsible for settlement, clearing is also responsible for the financial main body of the cross-border investment, economic cooperation between China and Russia need financing is provided by the bank, China and Russia have major cooperation projects

in a number of areas, which are also financed by banks. The financial cooperation between China and Russia has made great progress and achievements, which can be roughly divided into three aspects: mutual calculation and settlement between China and Russia, cooperation between Chinese and Russian commercial banking institutions, and financing between China and Russia [20, p. 25].

Mutual calculation and settlement of Chinese and Russian currencies. From 2010 to 2014, Russia had the most frequent trade with China, with China as its largest trading partner. The financial cooperation between the two countries has been strongly supported by the Chinese and Russian governments, showing a steady trend of development, and the way of settlement in local currencies between the two countries has also expanded from border trade to general trade. In 2010, RMB was officially listed and traded in the Russian market, while Ruble was listed and traded in China, which established the trading market of RMB and Ruble and played a promoting role in realizing the real local currency settlement. First, cross-border trade should be settled in local currencies. Instead of using US dollars, the exchange rate between RMB and rouble should be directly carried out to reduce the exchange cost [29, p. 41]. Second, the RMB and ruble trading market should be established to facilitate the trading of rubles by Chinese banks, which will greatly improve the clearing efficiency and solve the problem of ruble position risk management. Thirdly, the buyers and sellers conduct transactions through the RMB and Rupee trading market, which is efficient and fast, and ensures that the sales contract can be executed in the shortest time without going through the agent bank, which cannot make profits from the transaction and reduces the clearing cost.

Table 2 – Comparison of settlement business in 2003 and 2009, 100 million dollars [11]

Year	2003	2009
RMB settlement business volume	0.146	9.7
Account	0.5 %	17.4 %

Table 2 by comparing the data in 2003 and 2009, it is found that the volume of local currency settlement business in 2003 is only 1/67 of that in 2009, and the volume of business has achieved a leap from 14.6 million US dollars to 970 million dollars, and its proportion in the trade volume between China and Russia has also increased from 0.5 % to 17.4 %.

Cooperation between Chinese and Russian commercial banking institutions. The Bank of China first set up a subsidiary bank in Moscow in 1993. By the end of 2016, six Chinese banks had set up branches and representative offices in Russia, including five subsidiaries and branches and two representative offices. VTB Bank set up a representative office in China in 1989 [36, p. 58]. The rapid development of China's economy has forced Russia to re-examine its cooperative relationship with China. By the end of 2016, nine Russian banks had set up branches and representative offices in China, including one branch and 10 representative offices. As early as May 1995, Heihe river branch of agricultural bank of China commercial bank shares with Russian Amur state formally established correspondent bank account relationship, as a settlement currency in dollars, the dollar cash settlement business formally appear in these two banking services, which means that the two countries after the correspondent business can directly without intervention by other agencies [27, p. 11].

Financial integration between China and Russia. At the opening ceremony of the Boao Forum for Asia Annual Conference 2015, Igor Shuvalov, who served as the First Deputy Prime Minister of Russia, revealed that Russian President Vladimir Putin made a decision that Russia would join the Asian Infrastructure Investment Bank (AIIB). In April 2015, the Russian government publicly announced that Russia would join the AIIB. In June 2018, Russian President Vladimir Putin arrived in China for the Shanghai Cooperation Organization (SCO) summit. During the period, China's largest rating agency, China Credit International (CCXI), signed a memorandum of cooperation with Expert RA Rating Company, Russia's largest rating agency, to become a partner and provide support for the financing construction of countries along the "One Belt And One Road" routes. By signing a memorandum of cooperation, the two rating agencies have demonstrated their commitment to the establishment of a global credit rating system and the deepening of financial integration [43, p. 86]. This vote proves that it is not between the two countries,

but along the "One Belt And One Road" route. They will also analyze projects in various fields and provide rating services for them. The cooperation between the two rating agencies covers a wide range of areas, including how to conduct cooperation in research, how to share information technology, how to jointly develop products and services, and how to deepen their business along the "One Belt And One Road".

The "One Belt And One Road" initiative inherits the spirit of openness, inclusiveness and inclusiveness of the ancient Silk Road, so it bears some similarities with the ancient Silk Road. On the other hand, as the "One Belt And One Road" policy appears under the new era background, it is an urgent realistic demand and is endowed with the characteristics of the new era.

Domestic economic and social reform has entered a period of deep water. The current stage feature of China's economy is the superposition of the three phases. The so-called "three phases" means that the growth rate has entered a change of gear. This is determined by the objective laws of economic development. Structural adjustment is a painful period; this is to accelerate the transformation of the pattern of economic development of the active choice. The pre-stimulus digestion period is a necessary stage for resolving the deep-seated problems that have accumulated over the years. It is in this context that after the 18th CPC National Congress, the CPC Central Committee put forward the new strategy of reform and opening up, deepening reform and expanding opening up, repositioning the "new normal" of economic development, realizing the "soft landing" of the national economy from high-speed growth to normal steady growth, and maintaining sustainable development and moderate growth. To achieve this, China need to coordinate domestic and international resources and markets and seek new driving forces and growth points for economic development. The transformation from "crossing the river by feeling for stones" in the early days of the reform to a proactive response and proactive attack reflects the changes in history, the progress of The Times, the courage and courage of decision makers, and the complexity of the problems, the enormity of the difficulties, the severity of the challenges and the enormity of the tasks.

The world economy has entered a critical period of transformation and upgrading. Since the global financial crisis in 2008, the global industrial structure has entered a period

of deep adjustment. The world economy has recovered slowly, developed countries have experienced sluggish growth, and the economic growth rate has been slowing down. The industrial production of the world is shrinking, and the manufacturing industry is in a period of decline. The industrial countries that used to have the advantage of global industrial competition generally have structural imbalance. Emerging economies have intensified the global industrial competition, and the development speed of manufacturing industry in developing countries has declined. The global capital flow is slowing down, the growth of financial assets is slow, and the foreign investment of developed economies is in a slump. Countries that previously focused on capital export begin to turn their attention to domestic markets, resulting in a sharp decline in global capital cross-border flows, aggravated capital market turbulence in emerging and developing economies, and generally a decline in investment returns. The weak economic growth has seriously dragged down the growth of world trade. World trade has remained sluggish and the export situation has deteriorated sharply. The export of world trade in goods and services is undergoing a deep adjustment. In such a situation, China's opening to the outside world for a long time in the pattern of the western developed economies is given priority to, need to adjust, steering, and at the same time, with the pace of economic globalization, regional economic integration to speed up, our country around the association of south-east Asian nations (ASEAN), central Asia, South Asia and other developing countries and regions rich in resources, has huge potential, needs to activate development through cooperation.

The situation of domestic energy security is becoming increasingly serious. The research shows that since 1996, the import of crude oil in China has increased rapidly, the dependence of crude oil import has soared, but the main sources of imports have become more and more concentrated. According to customs statistics, during the ten years from 2003 to 2013, China's crude oil imports increased from 91 million tons year by year to 200 million tons in 2009 and 282 million tons in 2013. The sources of crude oil import are mainly concentrated in Middle East countries, Sudan and other places in Africa, and the sources of crude oil import are relatively concentrated. Eighty percent of its crude oil imports pass through the Strait of Malacca, and its dependence on foreign trade is as high as 58 %. Nowadays, the international crude oil market is deeply affected by the international

politics, which makes the crude oil supply of the crude oil importing countries have great instability, and the security of crude oil import is greatly challenged. In particular, China's crude oil imports are excessively dependent on the Middle East and the Strait of Malacca. Under the situation of the turmoil in the Middle East and the involvement of the United States in the South China Sea, China's energy security is seriously challenged and the potential threat is intensified. It has become an urgent strategic issue to open up new crude oil supplier countries or regions, open new safe transportation pipelines and diversify crude oil imports.

2.2 Opportunities of economic and trade cooperation between China and Russia under "One Belt And One Road" strategy

At present, China and Russia is in the best period in history, economic and trade relations between the two countries are deepening development, energy, science and technology, agriculture, tourism, and many other areas with different levels of cooperation, Russia as an important national connection continental Europe and Asia continent, at the same time as the area along the road to the construction of the important countries, The One Belt And One Road strategy will surely promote the economic development of Russia and further deepen the economic cooperation between Russia and Russia [20, p. 33].

Expand the scope of bilateral trade and optimize the industrial structure. China and Russia are one of the world's largest developing country, China is the world's most populous country, everyone has fewer resources, but the per capita consumption and demand is very big, Russia is the largest country in the world, the various resources such as coal, oil, natural gas is rich, high per capita resource capacity, Therefore, China and Russia have strong complement in resource industrial structure [16, p. 79]. In recent years, the two sides have strengthened cooperation. As early as 2015, in the "One Belt And One Road" development plan proposed by China, Russia was regarded as one of the top priority countries in the "One Belt And One Road" across the Eurasian continent. In 2019, the bilateral trade volume reached a new high [32, p. 132].



Figure 1 – China's Exports to Russia, 2010–2019, 100 million dollars [11]

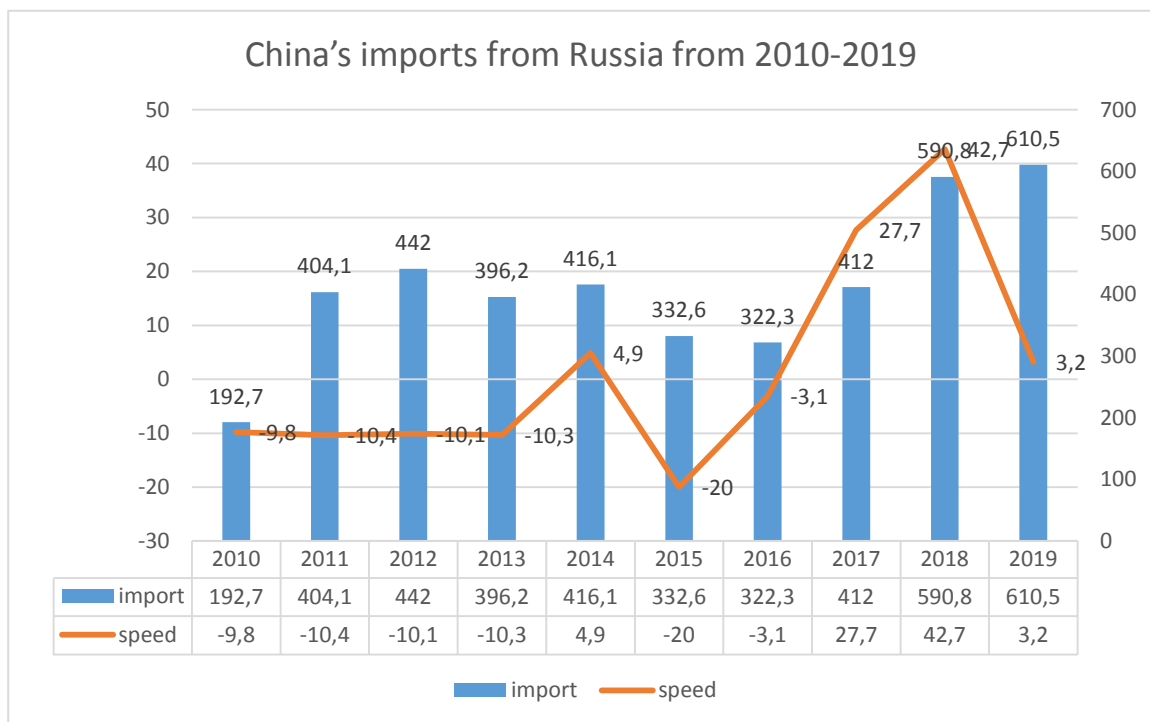


Figure 2 – China's Imports to Russia from 2010 to 2019, 100 million dollars [11]

It can be seen from Figure 1 and Figure 2 that the total trade volume between China and Russia has been on the rise since the outbreak of the financial crisis in 2008. Such remarkable achievements in bilateral trade between China and Russia are closely related to

the geographical location of the two countries, their respective resource advantages and the current economic development situation. In 2019, China's total export to Russia was 49.7 billion dollars, with a year-on-year increase of 3.6 % [9]. From 2011 to 2014, the growth rate of China's total export to Russia basically remained stable, and the total export trade reached the highest value of 53.68 billion dollars in 2015 [60, p. 99]. From 2014 to 2017, it began to grow slowly again. From the perspective of China's import from Russia, the year-on-year growth rate has been increasing since 2015. And the growth rate reached 42.7 % in 2019, and the total import trade reached a peak value of 61.05 billion dollars.



Figure 3 – Total value of China's import and export trade with Russia from 2010 to 2019, 100 million dollars [9]

As can be seen from Figure 3, the economic and trade relations between China and Russia are deepening continuously with frequent trade exchanges. Economic and trade cooperation and trade between China and Russia have gradually expanded. In 2011, the bilateral trade volume reached 73.91 billion dollars, among which, China's export volume to Russia was 38.9 billion dollars, up by 31.4 year on year, and the import volume was 40.37 billion dollars, up by 55.7 % year on year. The contribution rate of import and export was

2.2 %, which became the highest in recent years after the crisis. From 2011 to 2014, the level of trade between the two countries grew slowly, from 1 % in 2011 to 1.5 % in 2012 and 1.1 % in 2013. In 2014, the highest trade volume reached 95.28 billion dollars, with a year-on-year growth rate of 6.8 % [31, p. 42]. Since 2015, the bilateral trade volume has shown a substantial growth, from 69.53 billion dollars in 2015 to 110.76 billion dollars in 2019, and the growth rate has turned from negative to positive.

The expansion of bilateral trade between China and Russia is not only reflected in the continuous increase of total trade volume, but also reflected in the expansion of the scope of Sino-Russian trade cooperation projects. For now, the two sides of the variety of goods on import and export trade, expanding energy cooperation areas including oil, natural gas, electricity, coal, nuclear power, power equipment, and other cooperation projects, the economic and trade cooperation from trade in goods and services also extend to the logistics, transportation, tourism, science and technology, military, environmental protection, infrastructure and other multiple areas [25, p.10].

Table 3 – Comparison of China's Export Commodities to Russia from 2010 to 2019, % [11]

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Mechanical and electrical products	45.1	46.7	45.1	45.5	44.5	46.0	52.0	53.1	52.0	53.0
Textiles and raw materials	10.7	9.1	9.4	10.0	7.8	8.2	7.3	7.4	7.3	8.0
Metal and Products	8.5	8.5	8.0	7.9	6.0	5.5	5.7	7.1	5.9	6.7
Furniture and toys	5.3	5.3	6.5	6.5	5.2	5.3	5.8	5.8	5.5	5.2
Light industrial products	5.5	5.5	5.7	5.6	3.5	3.4	3.6	3.7	2.9	3.4
Transportation equipment	4.8	4.8	5.9	5.1	3.1	2.1	4.0	3.9	3.2	3.7
Plastics and rubber	4.9	4.9	4.8	4.7	4.3	3.9	4.6	4.1	4.7	4.4
Chemical product	3.4	3.4	3.4	3.5	4.0	4.2	5.1	4.9	5.0	5.0
Ceramics, Glass	2.1	2.1	2.2	2.2	2.1	2.5	2.2	1.6	2.4	2.3

Table 4 – Comparison of Imports of Commodities from China to Russia 2010–2019, % [11]

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Minerals	57.1	65.9	65.6	51.7	53.5	54.6	63.8	70.5	65.7	68.3
Woods	11.6	9.6	8.6	13.4	9.1	8.8	9.3	8.7	8.2	9.5
Chemical product	8.8	8.5	10.2	9.5	3.1	3.2	3.5	2.9	3.0	3.7
Animal products	4.7	4.0	3.9	6.1	3.6	3.5	3.7	3.0	3.8	3.9
Sheet	3.8	3.7	3.2	4.7	2.9	2.6	2.8	2.4	3.2	3.0
Mechanical and electrical products	4.7	2.7	4.2	6.8	3.9	3.8	5.0	5.9	5.2	5.1
Plastics and rubber	3.8	2.7	2.1	3.1	0.8	0.9	1.2	1.3	1.1	1.3
Metal and its products	3.4	1.9	1.4	2.2	0.9	0.8	0.9	0.4	1.0	0.8
Transportation equipment	1.3	0.8	0.1	1.3	2.1	2.0	2.2	0.7	1.2	1.1
Medical facility	0.3	0.2	0.2	0.3	0.7	0.5	0.8	0.6	0.8	0.9

It can be seen from Table 3 and 4 that in the bilateral import and export trade between the two countries, China's exports to Russia mainly focus on labor-intensive products such as textiles and raw materials, mechanical and electrical products, and metal products. Among the top ten commodities in the export trade, most of them are industrial products, accounting for about 90% of the total export trade. As a major energy country, Russia is rich in fossil fuel resources such as petroleum, coal and natural gas, and its export products to China are mainly energy products, such as mineral products and chemical products. In the bilateral trade between China and Russia, the top three types of products are resource-intensive, such as mineral products, wooden products and chemical products. Among the top ten commodities in export trade, energy products account for about 80 % of the total export commodities. The above indicates that China's exports to Russia are mainly industrial products including technology-intensive and labor-intensive products. Russia's exports to China are resource-intensive products, and the complementary nature of the trade structure lays a foundation for the expansion of the scope of trade cooperation between the two countries.

From the analysis of 2017 alone: according to the statistics of Russia's statistics bureau, in 2017, the import and export volume of goods between Russia and China was

86.96 billion dollars, with an increase of 31.5 %.Russia's exports to China amounted to 38.92 billion dollars, up 38.9 %, accounting for 10.9 % of Russia's total exports. Imports from China amounted to 48.04 billion dollars, up 26.1%, accounting for 21.2 % of Russia's total imports. Russia's trade deficit was 9.12 billion dollars, down by 9.6 %. China is Russia's largest export market and largest source of imports.

Table 5 – Composition of major Russian exports to China in 2017, millions dollars, [8]

category	2017	Same period last year	Growth rate (%)	Account (%)
Turnover	38922	28018	38.9	100.0
Minerals	26288	18696	41.1	70.5
Wood and its products	3265	2594	25.9	8.7
Mechanical and electrical products	2191	1385	58.1	5.9
Animal products	1102	1057	4.3	3.0
chemical product	1099	1021	7.6	2.9
Sheet	904	810	11.6	2.4
Base metals and their products	641	210	205.6	1.7
Plastic	494	345	42.9	1.3
Transportation equipment	264	298	-11.4	0.7
Animal and vegetable oils	245	173	41.9	0.7
Plant products	244	186	31.4	0.7
Medical facility	213	237	-10.0	0.6
foods	182	205	-11.1	0.5
Precious metals and their products	142	95	48.6	0.4
Textile raw material	10	13	-22.9	0.0
else	1538	693	122.0	4.0

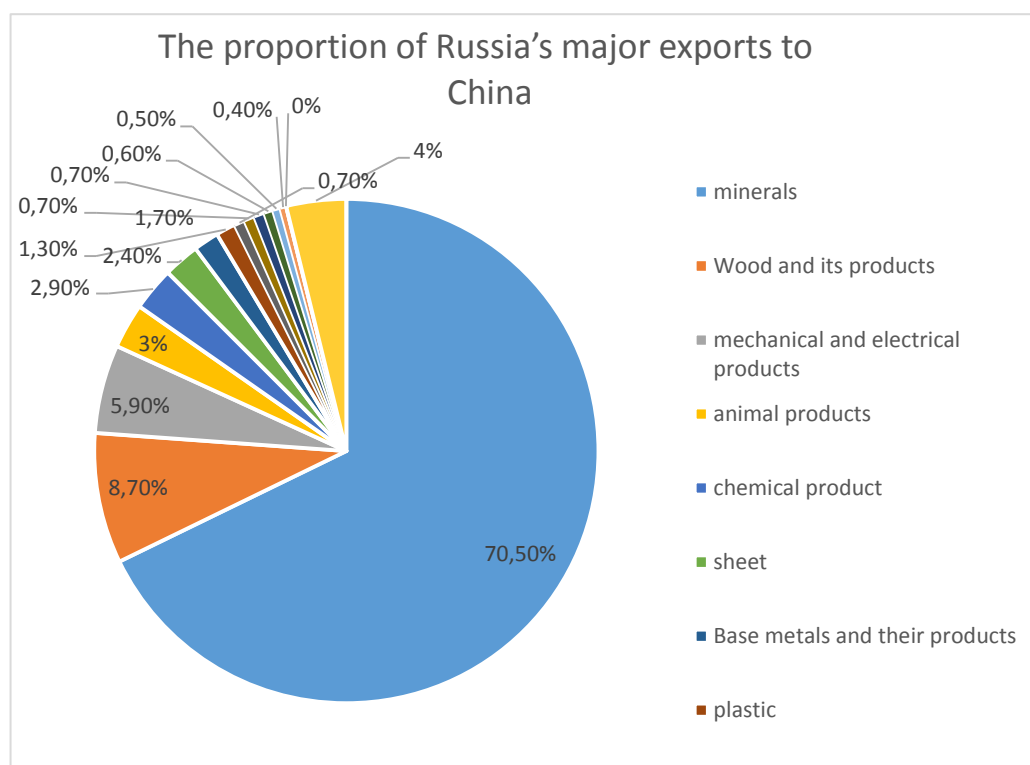


Figure 4 – Share of Russia's Major Exports to China in 2017 [8]

As can be seen from the above chart: Mineral products, wood and products and mechanical and electrical products are the main products of Russia's exports to China. In 2017, exports accounted for 70.5 %, 8.7 % and 5.9 % of Russia's total exports to China, respectively, accounting for 26.39 billion dollars, 3.27 billion dollars and 2.19 billion dollars, with increases of 41.1 %, 25.9 % and 58.1 %, respectively. In addition, the export volume of base metals and products increased significantly, up 205.6 %. Exports of textiles and raw materials fell 22.9 %.

Figure 5 shows that: Russia's main imports from China are mechanical and electrical products, textiles and raw materials, and base metals and products. In 2017, the total imports of three types of products accounted for 67.5 % of Russia's total imports from China, which were 25.45 billion dollars, 3.57 billion dollars and 3.41 billion dollars respectively, up 26.2 %, 16.6 % and 33.4 % respectively. These products accounted for 32.9 %, 4.7 % and 7.1 % of Russia's import market, respectively. In addition, Russia imports leather goods from China. The import volume of luggage and bags increased significantly, up 44.8 %.

Table 6 – Composition of Russia's Major Imports to China in 2017, millions dollars [8]

category	2017	Same period last year	Growth rate (%)	Account (%)
turnover	48042	38105	26.1	100.0
mechanical and electrical products	25445	20171	26.2	53.0
Textiles and their raw materials	3572	3063	16.6	7.4
Base metals and their products	3408	2555	33.4	7.1
Furniture and toys	2770	1984	39.6	5.8
chemical product	2347	1914	22.6	4.9
plastics and rubber	1962	1683	16.6	4.1
transportation equipment	1879	1396	34.6	3.9
light industrial products	1775	1280	38.7	3.7
medical facility	1074	846	27.1	2.2
plant products	1019	893	14.0	2.1
glass	789	614	28.5	1.6
leatherwear	544	375	44.8	1.1
foods	504	503	0.1	1.1
sheets	274	258	6.3	0.6
animal products	242	219	10.2	0.5
else	438	349	25.6	0.9

With the construction of "One Belt And One Road" strategy, on the basis of industrial complementary advantages, bilateral trade scope will not only be expanded, but also the industrial structure will be optimized. The adjustment of industrial structure has led to the transformation of industrial structure in both countries. Under the "One Belt And One Road" initiative, the cooperation between Russia and China has been continuously strengthened, and the effect of scale economy and the improvement of technological level have formed the necessary conditions for promoting industrial upgrading.

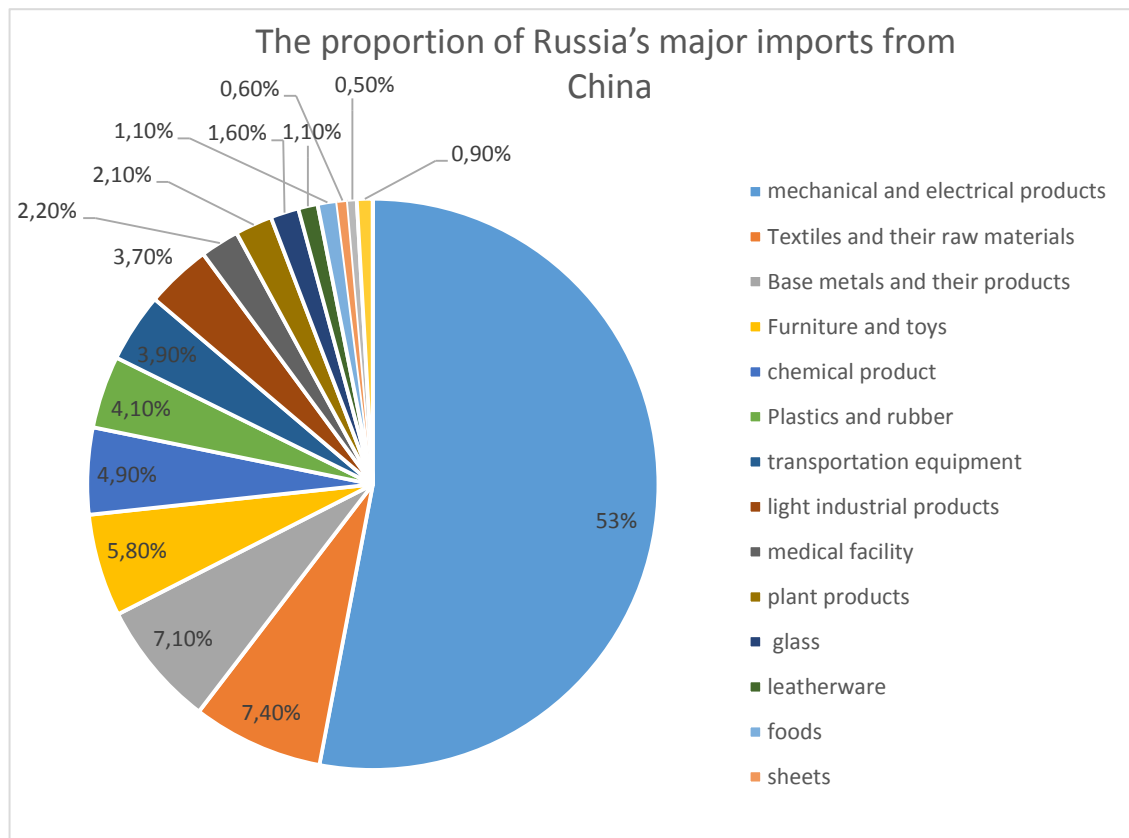


Figure 5 – Share of Russia's Major Imports from China in 2017 [8]

Trade cooperation continued to deepen, the international exchange of rapid growth, the same type product multinational companies set up unceasingly, the foreign products into the domestic market unceasingly, to promote domestic enterprises to learn advanced technology and innovation of the existing technology, improve their technical level, increase the national technology stock, eventually lay the ground for the upgrading of industrial structure. Foreign goods, on the other hand, a large number of entering the domestic market, will bring local products to a certain extent, some of the technical level is relatively backward commodity market faces enormous pressure of competition, encourage domestic enterprises improve the level of production technology, optimize the industrial structure, thus to enhance product quality, enhance the international competitiveness [17, p. 34].

Financial cooperation has been strengthened to achieve financial innovation. The implementation of the "One Belt And One Road" strategy cannot be separated from sufficient funds, which will promote the continuous strengthening of financial cooperation between the two sides. According to data on China's direct investment in Russia released by the National Development and Reform Commission, China invested more than 700 million

dollars in Russia in 2014. In 2015, China's direct investment in Russia reached 2.961 billion dollars, up 367.3 % year on year.

By the end of 2015, China's investment stock in Russia was about 33 billion dollars, and the investment industries accounted for 47.6 %, 25.9 %, 11.7 % and 9.3 % respectively for mining, finance, agriculture, forestry, animal husbandry and fishery, and manufacturing. According to the Statistical Communique on China's OFDI released by the Ministry of Commerce in 2018, China's OFDI reached 143.04 billion dollars in 2018, accounting for more than 10 % of the global investment flow for three consecutive years and 14.1 % in 2018, making China the second largest outbound investor. China's OFDI stock has risen from the 25th place in 2002 to the 3rd place in the world, with OFDI stock reaching 1.98 trillion dollars.

By the end of 2018, more than 27,000 Chinese domestic investors had set up 43,000 OFDI enterprises in 188 countries (regions) around the world, and more than 80 % of the world's countries (regions) had Chinese investment. With the increasing political and economic strength, China's weight on the international stage is increasing, and countries in the world are paying more and more attention to the relationship with China. As an important strategic cooperative country of China, Russia is also China's most economically capable trading partner among all its neighboring countries [2].

Table 7 – Status Quo of China's Direct Investment in Russia from 2010 to 2019, 100 million dollars [2]

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Direct investment flow	5.68	7.16	7.85	10.22	6.33	29.61	12.93	15.48	7.25	9.32
Direct investment stock	27.88	37.64	48.88	75.82	86.95	140.2	129.8	138.72	142.1	156.7

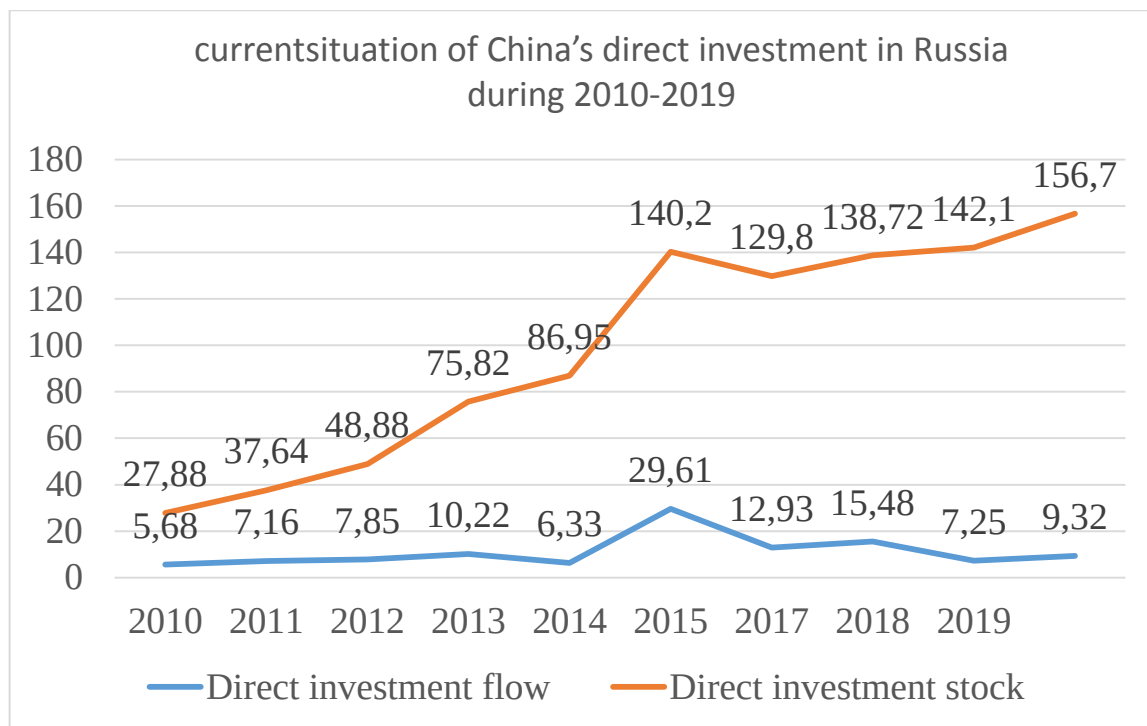


Figure 6 – Analysis on the Status Quo of China's Direct Investment in Russia from 2010 to 2019, 100 million dollars [2]

According to the data of 13 Russian industries in China's Foreign Direct Investment Bulletin 2008–2018, currently, 350 Chinese enterprises registered in Russia are focused on investing in Russia's highly complementary industries such as agriculture, forestry, animal husbandry, fishery and manufacturing. Since 2008, China's direct investment in Russia has been rising against the trend, and the investment industry has become rich and diversified. On the one hand, it shows that the economic and trade exchanges between China and Russia are becoming increasingly close, and the investment capital and fields are gradually expanding. On the other hand, it shows that with the strengthening of China's economic strength and the wider degree of opening to the outside world, Chinese enterprises have more competitive advantages.

Due to the implementation of the "One Belt and One Road" strategy, in addition to deepening the financial cooperation mode, it is also necessary to attract more funds to support the construction, which will promote the continuous innovation of financial cooperation mode between China and Russia. China and Russia can also use the Internet financial platform to actively guide domestic private funds in China and Russia to participate

in the "One Belt And One Road" construction. Governments around the world vigorously support financial institutions, speed up the construction of online financial institutions, and increase strategic support in the form of syndicated loans, loans for cross-border mergers and acquisitions, so as to build the world's leading online financial transactions. At the same time, the two countries are also actively innovating ways of financial cooperation, focusing on the investment of idle social funds, and effectively utilizing civil society capital such as insurance funds, social security funds and pension funds with a long investment period and low returns to carry out the "Belt and Road" construction.

Deep the energy cooperation mechanism and establish a new international energy order. The proposal and implementation of the "One Belt And One Road" strategy not only promoted the economic development level of the two countries, but also enhanced the ability of China and Russia to participate in international energy trade according to their respective energy factor endowments. As the most important source of energy consumption in the world, the output and reserves of petroleum have a great influence on the energy situation. At present in terms of various countries, oil reserves, the output of oil are China and Russia as the main oil producing countries, but is a big gap between the numerical, Russia is the real power, oil rich oil resources, on the basis of meet the demand of domestic oil, can also export to other countries.

Natural gas reserves in Russia and the Middle East account for most of the world's natural gas reserves. Some countries, such as Iran, Russia and Qatar, have natural gas reserves. China is short of natural gas and Russia is rich in reserves, so it is a good choice to import natural gas from Russia. In terms of coal production, China is the world's largest coal producer, producing 1.92 billion tons in 2015, accounting for 50 % of the world's total output. Russia's coal production is not so significant, and energy trade between the two countries can effectively solve this problem.

See from table: Russia's energy output is greater than that of domestic consumption, coal, oil, natural gas is Russia's main source of foreign exchange earning, and because China's population is more, less per capita resource capacity, long-term in the position of power in energy imports and consumption, in terms of coal, oil and natural gas are importer.

Table 8 – Top 10 Oil Producers 2019, 10,000 barrels per day [47]

Ranking	Country	Oil supply	Global share (%)	Growth rate (%)
First	America	1220	14.7%	11.3%
Second	Russia	1130	13.6%	0.8%
Third	Saudi Arabia	1010	12.2%	-3.7%
Fourth	Iraq	470	5.7%	3.2%
Fifth	Canada	470	5.6%	2.0%
Sixth	China	380	4.6%	1.0%
Seventh	UAE	340	4.0%	-1.6%
Eighth	Iran	300	3.6%	-30.0%
Ninth	Brazil	280	3.4%	7.8%
Tenth	Kuwait	270	3.2%	-2.1%

Table 9 – Top 10 world oil consumers in 2019, 10,000 barrels per day [47]

ranking	Country	Oil demand	Global share (%)	Growth rate (%)
First	America	1940	19.7%	-0.1%
Second	China	1410	14.3%	5.1%
Third	India	530	5.4%	3.1%
Fourth	Japan	380	3.9%	-1.1%
Fifth	Saudi Arabia	380	3.9%	0.5%
Sixth	Russia	330	3.4%	1.1%
Seventh	Korea	280	2.8%	-0.8%
Eighth	Canada	240	2.4%	-1.7%
Ninth	Brazil	240	2.4%	0.9%
Tenth	Germany	240	2.3%	0.9%

Russia is rich in energy, which can be exported to China. China has a strong domestic demand for energy, which in turn requires large-scale imports of oil, natural gas, coal and other disposable energy from Russia. The complementary energy structures between China and Russia provide the material foundation for bilateral cooperation. Energy imports and exports between China and Russia are huge, but have little impact on energy prices.

Table 10 – Top 10 World Coal Producers in 2019, metric tons [46]

ranking	Country	Oil supply	Growth rate (%)
First	China	38.46	4.0%
Second	India	7.56	-0.5%
Third	America	6.39	-6.7%
Fourth	Indonesia	6.10	9.4%
Fifth	Australia	5.06	0.2%
Sixth	Russia	4.40	-0.3%
Seventh	South Africa	2.54	0.4%
Eighth	Germany	1.33	7.8%
Ninth	KZ	1.15	-2.1%
Tenth	Poland	1.12	-8.2%

China and Russia can continuously deepen the energy cooperation mechanism to expand the scale of energy demand and supply, so that they can directly influence the international energy flow by controlling output or changing the direction of demand, and have a certain say in the international energy pricing.

Enhanced cooperation in infrastructure to promote economic transformation. Along with the construction of the "One Belt And One Road" strategy, the two countries will reduce overcapacity by strengthening bilateral infrastructure cooperation in the Far East and realizing the "going global" of China's equipment manufacturing industry. At present, China and Russia have successfully launched the western route natural gas transmission project and the China-Russia crude oil pipeline project. Cooperation in the construction of high-speed railway and the renovation of the Trans-Siberian Railway is also deepening. In China, with the changing of the market supply and demand, and produced some high quality excess capacity, the capacity in Russia may be to maximize economic benefits, bring huge benefits, with the constant improvement of infrastructure, the productivity can be born Russian quality, boost Russia's economic transition effectively.

Chapter 3 Issues and suggestions on economic cooperation between China and Russia under the background of "One Belt And One Road" initiative

3.1 Problems of economic cooperation between China and Russia under "One Belt And One Road" background

"One Belt And One Road" is an open platform. It will not only upgrade existing cooperation projects between China and Russia, but also inject new impetus into regional cooperation mechanisms such as the Shanghai Cooperation Organization and the Eurasian Economic Union. The two sides in the construction of "area" strategy, on the premise of the construction of infrastructure, along with common development as the goal, for the benefit of state as the ultimate goal, efforts to create a harmony, harmony, cooperation and development, the new model of win-win, eventually realize the common development of the two countries and the Eurasian, opportunities and challenges coexist in the process.

China and Russia are the same as for the two powers in the economic transition, from the perspective of the growth of the bilateral trade volume between China and Russia, the bilateral trade growth rate is slightly higher than that of their countries of foreign trade, but from China and Russia worldwide influence perspective, the absolute value of the bilateral trade volume between the two countries did not match the influence degree. From the bilateral trade between China and Russia as a whole, the economic and trade cooperation between the two countries has been developing steadily, and the two countries have made great contributions in promoting bilateral and international trade and other fields. However, from the specific perspective of bilateral trade between China and Russia, the drawbacks and problems in the process of establishing economic and trade cooperation between the two countries cannot be ignored [12, p. 102].

The rapid development and great achievements of China's economy provide a guarantee for China's foreign trade. However, in the trade cooperation between China and Russia, the commodity trade is mainly based on the factor endowments of the two countries and the serious imbalance of the types of traded commodities. The structure is single. Among China's export to Russia, primary products account for more than 90 %, much higher

than other high value-added manufactured products [49, p. 46]. Therefore, both sides must be aware of the low level of industrial exports and the imbalance of the commodity structure.

The establishment of a financial and regulatory service system is a prerequisite for sound bilateral trade cooperation between China and Russia. At present, although China and Russia continue to strengthen cooperation in the financial field, optimize settlement financial reform and strengthen inter-bank cooperation, which provides a guarantee for the stable development of bilateral economic and trade cooperation, and continue to make efforts to optimize the trade settlement process [39, p. 18]. However, the economic and trade cooperation between China and Russia still seems to be faced with an imperfect financial service system, such as a small credit line between the two sides, a small exchange rate ratio, and a small number of pilot banks participating in local currency settlement. These factors have had a negative impact on bilateral economic and trade cooperation and investment.

Therefore, in the process of building Sino-Russian economic and trade exchanges, the two countries have the responsibility and obligation to gradually improve the financial service system and regulatory service system, and increase reform efforts to provide policy support for the completion of economic and trade cooperation. In addition, Russia's macroeconomic environment affects bilateral economic and trade cooperation. Russia's domestic economic situation is grim and the economic environment is not optimistic. From 2013 to 2016, Russia's GDP grew by 1.3 %, 0.6 %, -3.4 % and -0.5 % respectively. And the international oil price has hit bottom again, which will aggravate the recession of Russia's economy to some extent.

Secondly, due to the economic crisis in Russia, the domestic industry, manufacturing industry, construction industry and other industries suffered from different degrees of trauma. China will give more consideration to expanding economic and trade cooperation with Russia. First of all, whether Russia can guarantee the smooth progress of economic and trade cooperation with China. Secondly, in expanding economic and trade cooperation with Russia, does China have a risk prevention strategy.

Russia's financial system is weak and business risks are high. From the point of the current situation, the development of Russian environment is not optimistic, especially financial is still in the primary stage of development, involving the bank industry enterprise

are many, but most of the Banks' size is too small, a credit rating is not high, the phenomenon of bankruptcy and mergers, development is limited by region, met risk cannot produce enough strong anti-risk ability. Russia cannot provide a stable economic environment for financial cooperation, and Chinese banks and enterprises need to be prepared to take higher risks when cooperating with Russia. Secondly, the exchange rate risk is particularly prominent among the risks. The ruble exchange rate is volatile and the trend is not optimistic. In recent years, the Russian economy is depressed and the trend is sluggish, which affects the ability of Russian enterprises to fulfill their obligations. Therefore, China cannot blindly maintain full trust in Russian financial services. Last but not least, China and Russia have not formed a feasible risk control mechanism, which can not fully respond to risks when they come, lack of mutual trust between the banks of the two sides and insufficient and perfect information exchange, which make the financial cooperation between China and Russia face great challenges [6, p. 17].

The space for financial cooperation is limited – the level of financial cooperation between China and Russia depends on the scale of trade between the two countries. According to the statistical analysis of 2015 data, the bilateral trade volume between China and the US was 558.4 billion dollars, and that between China and Japan was 278.6 billion dollars. In contrast, the trade volume between China and Russia was only 68 billion dollars.

Table 11 – Comparison of total trade volume between China and the United States, Japan and Russia in 2015, 100 million dollars [11]

Total trade between China and the United States	5584
Total trade volume between China and Japan	2786
Total trade volume between China and Russia	680

The trade volume between China and the United States is eight times that between China and Russia, and the trade volume between China and Japan is four times that between China and Russia. Restrictions on the scale of trade between the two countries have caused a series of financial services problems, and various financial services are unable to find suitable space for development. For example, supply chain financing lacks the space to

satisfy the development. Most of the economic and trade cooperation between China and Russia in neighboring areas is border trade and small-scale trade. The financial cooperation that can be carried out in these trade basically does not involve a variety of financial services, and mainly focuses on a single trade settlement.

The financial cooperation between the two countries is not always smooth, and it is also restricted by the imperfect supporting facilities and systems of the financial system, which are mainly reflected in the following four aspects: First, the low professional level and low efficiency of the clearing platform restrict the pace of realizing the regionalization of RMB. At present, RMB can not be cleared directly, but needs to be cleared with the help of US dollars. Under the background of western countries' sanctions against Russia, it is difficult to use US dollars to clear trade with Russia.

Second, the financial risk guarantee system is deficient. The bank transaction between the two sides involves the delivery of funds, but there are no special laws and regulations as the basis for the delivery of funds. There is no professional financial guarantee institution for the bank to carry out business in Russia, so the risk is too great, which seriously affects the enthusiasm of the bank.

Third, the cooperation between China and Russia is bound to go through the process of cross-border circulation of RMB. However, without sound detection means, it is difficult to control the flow and stock of funds, leading to a series of problems.

Fourth, there are no cross-border investment policies and foreign exchange policies specifically aimed at China-Russia trade issues. Only the four major state-owned banks in China have the qualification of offshore finance, which cannot meet some other financial needs in economic cooperation [60, p. 100].

From the point of view of trade settlement between China and Russia, the regional scope of local currency settlement is limited to the border areas hindering the further development of local currency settlement business. At present, the local currency settlement business in Russia-China trade cooperation can only be carried out by a few banks and is concentrated in a few regions. However, the trade between China and Russia is frequent in regions with large trade scale, such as Moscow and St. Petersburg, which do not promote the cross-border settlement of RMB on a large scale, and their demand for local settlement

is very large, which seriously restricts the further development of the trade between China and Russia.

The trade settlement between China and Russia cannot be quickly solved through the local currency settlement channel, which not only restricts the development of the local currency settlement business, but also has a very negative impact on the trade between China and Russia due to the complexity of the procedures. In addition, the rouble in the total trade between China and Russia accounted for more than 75 % and the proportion of the RMB is small. Such settlement structure reflects the following problems:

1 The environment of trade settlement system between China and Russia is not fair, and the settlement process is not transparent and unified, which is mainly manifested in the differences between banks of both sides in terms of settlement exchange rate, interest rate and remittance fee.

2 The degree of internationalization of ruble is significantly higher than that of RMB and Russia has a strong international monopoly on imported goods, with ruble playing a dominant role than RMB.

Therefore, the Sino-Russian trade settlement system needs to be improved. China should strive to improve the international status of RMB and adjust the structure of settlement currency. Since the financial cooperation between China and Russia, the two sides have continuously strengthened inter-bank exchanges and cooperation, constantly updated and adjusted the operating standards and settlement methods of trade settlement, so as to provide guarantee for the bilateral trade.

However, under the hindrance of various other factors, the development of local currency settlement in the trade between China and Russia is not smooth, and there is still a lot of room for improvement in the area, field and scale of local currency settlement business. At the beginning of 2005, Bank of China reached a mutual agreement with Russian officials on the establishment of local currency settlement accounts in Heilongjiang Branch, respectively setting up RMB settlement accounts and ruble settlement accounts. In the future, RMB settlement accounts or ruble settlement accounts can be directly used. Sberbank of Russia has signed an agreement with Heilongjiang Branch of Bank of China on

the establishment of local currency settlement, and both parties shall set up local currency settlement accounts respectively.

In addition, pilot projects have been started in Suifenhe Branch and Khabarovsk Branch to allow both sides to use RMB and rouble directly for local currency settlement in trade settlement. However, in practice, this kind of cooperation is still in its infancy and the actual operation is not very mature. At present, the Sino-Russian economic and trade cooperation is still facing the bottleneck of the small proportion of direct exchange rate, the breakthrough of credit line and the participation of banks in local currency pilot [24, p. 98].

Local currency settlement business is still to be promoted. China and Russia have made continuous efforts for many years to explore a suitable development path for the local currency settlement business between the two countries. Although initial results have been achieved, there are still many problems. We have to admit that the local currency settlement between China and Russia is still in a relatively preliminary stage.

First, the US dollar still dominates bilateral trade between China and Russia. Second: too single currency settlement method is not suitable for all occasions. Generally, the banks of China and Russia only use remittance for local currency settlement, and the main business is the inward and outward remittance of local currency. Other settlement methods such as letter of credit and bank guarantee are rarely used. Basically, local currency investment and financing services are not involved.

Third, the scope of local currency settlement is not broad enough and needs to be expanded. The range of correspondent banks that undertake settlement function between Chinese and Russian banks is not wide enough, and the number still needs to be further increased.

Fourth: RMB settlement and clearing channels are not smooth. Although RMB can be transferred across the border through the Bank of China, Agricultural Bank of China and other commercial banks, it cannot be directly cleared and settled into rubles. Therefore, direct exchange between the two countries is rarely realized.

Fifth: The offshore RMB market is not yet established. Without an offshore market for RMB, even if the RMB flows abroad, it cannot be used, which makes it impossible to

advance the cross-border settlement business of RMB and to promote the enthusiasm of overseas enterprises to use RMB for settlement.

Many problems in unimpeded trade – first, the trade scale is relatively small and the trade structure is low-level. In recent years, the scale of trade between China and Russia is small, and the trade structure is obviously low-level. With the deepening of cooperation between China and Russia, the bilateral trade volume grows rapidly and the trade scale keeps expanding. However, the trade structure and the degree of dependence between China and Russia are at a low level.

From the perspective of trade scale, since entering the 21st century, the bilateral trade between China and Russia, as two major world economies, has developed rapidly, but the total trade volume still cannot be compared with that between China and the United States, China and Japan, and China and South Korea. Sino-Russian trade reached a record high of 95.29 billion dollars in 2014, accounting for only 2.2 % of China's total foreign trade. China's trade shares with the United States, Japan and South Korea are 13 %, 7.3 % and 6.7 %, respectively.

Meanwhile, trade between China and Russia slipped to 1.7 5 in 2015, while trade between China and the United States, China and Japan and China and South Korea grew steadily, accounting for 14.4 %, 7 % and 7 % respectively. From the perspective of trade structure, exports from Russia to China are mainly energy and energy products (such as minerals, wood products and chemical products), while exports from China to Russia are mainly concentrated in mechanical and electrical products, textiles, raw materials, metals and their products and other labor-intensive products.

Second, it faces serious trade barriers. Among the global economies that participate in international affairs, Russia is a country that sets up more trade barriers, which exist in the form of tariff barriers, non-tariff barriers, tariff and non-tariff barriers. In the bilateral trade of import and export between China and Russia, trade barriers are one of the important reasons that affect and restrict the two countries to further expand trade channels, regulate trade system and carry out trade cooperation.

Russia began to levy tariffs in 1992, and the latest tariff adjustment was on September 1, 2014. The tariff rate of 4,800 kinds of goods will be reduced, and the weighted average

tariff rate will be reduced to 7.1 %, among which 1,068 goods will be the last tariff reduction for Russia's WTO accession commitment. From June 1, 2015, except for the exemption of liquefied gas tariff, Russian oil export tariff increased by 24 %.In addition, super heavy oil, Russia transparent oil, dark oil, gasoline export tariffs have been significantly increased.

In June 2015, China also made a series of adjustments to its import and export tariffs, raising the overall tariff level to 9.8%, which lowered the import tariff rates of some daily consumer goods, but did not completely abolish them. Only when the two countries adjust tariff policies, remove trade barriers, reduce customs clearance obstacles and increase trade facilitation can the scale of the trade market be expanded and normal trade exchanges be ensured.In the implementation process of "One Belt And One Road", the high standard trade barrier is not conducive to the implementation of the policy [49, p. 46].

Policy communication is not smooth, facing a crisis of confidence. On the one hand, under the background of "One Belt And One Road", the cooperation between China and the Central Asian countries in resources, economy and trade, infrastructure and other aspects has aroused the doubts and concerns of the Russian side. From the perspective of its own interests, Russia accelerates the integration process with Central Asian countries in order to consolidate its strategic position. These misgivings may turn into destabilizing factors in the area of China-Russia economic and trade cooperation, leading to the obstruction or even suspension of cooperation.

In addition, the unstable political situation in the surrounding areas of the "One Belt And One Road" route is likely to lead to security problems and affect the development of Sino-Russian trade. On the other hand, the legal mechanism is not sound. During the construction of the "One Belt And One Road", China and Russia have made breakthroughs in logistics, finance, investment, credit and trade. However, the bilateral trade between China and Russia still lacks the trade supervision mechanism, the trade form is relatively simple, the strategic planning is not consistent and other problems, in order to deal with the above problems, it is required that the Chinese and Russian governments actively adjust the economic and trade policies, formulate laws and regulations, and provide strong policy support in the process of bilateral economic and trade cooperation.

And China and Russia should realize the importance of building their own brand advantage, technology advantage and management advantage. At present, both China and Russia have relatively low competitiveness in import and export in economic and trade exchanges. In order to further strengthen the strategic position of bilateral trade between China and Russia, it is necessary to form more distinct advantages in technology and service trade, and focus on innovation and optimization.

3.2 Suggestions on strengthening economic cooperation between China and Russia under the background of "One Belt And One Road" initiative

Russia is an important trading partner of China and an important country along the "One Belt And One Road". China and Russia are highly complementary in their energy structures and have many converging economic interests. Although the "One Belt And One Road" strategy was also questioned and rejected by the Russian side, after active communication between the two sides, the Russian side made it clear that it was actively involved in the strategic construction of "One Belt And One Road". This is a good start. In the future development process, relevant parties should actively communicate with each other about the questions or problems that may arise in the process of Russia's participation, and put forward effective solutions, so as to encourage Russia to better participate in the "One Belt And One Road" strategy construction. At present, the leaders of Russia and China should actively play a leading role in promoting the process of the "One Belt And One Road" strategy, and strengthen the convergence of interests between the two countries in the "Silk Road" economic belt, so as to comprehensively improve the level of bilateral trade cooperation between the two countries [44, p. 56].

Strengthen China-Russia economic and trade planning and control under the One Belt And One Road strategy. As the initiator of "One Belt And One Road", China's Ministry of Foreign Affairs, Ministry of Commerce and National Development and Reform Commission jointly issued the Vision and Actions for Jointly Building the Silk Road Economic Belt and the 21st Century Maritime Silk Road in March 2015 from September 2013 to March 2015 when the initiative of "One Belt And One Road" was initiated.

The release of this document can be called the first time that Chinese authorities put forward the top-level design blueprint of "One Belt And One Road" strategic construction, but it is more inclined to principles, policies, prospects, etc., it is not a specific action plan, which needs to be further passed in consultation with other relevant international business. On the basis of consensus, reasonable and feasible implementation strategies and paths, joint action plans and project construction guidelines should be formulated to make "One Belt And One Road" easier to be understood and accepted by all parties so as to be put into action.

In order to plan and control "One Belt And One Road" strategy well, we must adhere to the principle of consultation, joint contribution and sharing under "One Belt And One Road", emphasize the characteristics of voluntary equality, openness and inclusiveness, and use creative thinking, constructive method and strategic vision to seek long-term development planning. Russia is the only way to implement the "One Belt And One Road" strategy. In order to better participate in the construction of "One Belt And One Road", it is necessary to identify the obstacles hindering Russia's integration into the strategy, and put forward targeted measures to solve the problems and promote cooperation. China and Russia should establish a multi-level dialogue mechanism based on the principle of increasing mutual recognition and reducing differences, which will provide a platform and mechanism guarantee for China and Russia to enhance political mutual trust and expand political recognition, gradually increase mutual understanding and trust, and expand political and economic recognition [3, p. 24].

Only in this way, in the development of Sino-Russian economic and trade relations, will Russia's willingness to deal with economic issues, ideology, values and other issues be disjointed be enhanced, and the negative impact of political factors on the development of Sino-Russian economic and trade relations under the "One Belt And One Road" strategy be reduced.

"One Belt And One Road" strategy to expand commercial banks and policy banks. With 2019 as the cut-off point, the amount of yuan-denominated ruble-denominated yuan settled between China and Russia has increased several times. However, in bilateral settlement, operators are more likely to choose RMB rather than ruble as the settlement

currency. Therefore, to strengthen substantive cooperation is a necessary step for both China and Russia. The two countries also need to make efforts to improve the overall environment for financial development.

The banks of the two countries also need to actively strengthen business mutual trust. At the same time, increasing the variety of financial cooperation business is more conducive to stabilizing the cooperation between the two countries, improving the service level to achieve a win-win situation for operators and consumers. The cooperation between the commercial banks of China and Russia should not be single, but should be strengthened in all aspects to meet the different needs of different subjects as much as possible [23, p. 12].

"One Belt And One Road" strategy to strengthen the cooperation in the capital market. Western economic sanctions to Russia in recent years, resulting in Russian Banks and large companies always relies on foreign liabilities, in 2019, Russia will finance mainly focused on the Chinese, however, only in the form of a single financial cooperation leads to is given priority to with loan financing becomes a major means of financing in China. In the future cooperation, the expansion of cooperation business will become the main direction of Sino-Russian capital market cooperation. The transformation from bonds to options will attract more investors' attention and promote the diversification of the capital market.

In the future, China should open up the cross-border flow of capital and denominate RMB as the main means of trade between China and Russia, making RMB one of the ways of Russia's foreign exchange reserves. Judging from the current situation, Russia has allowed Industrial and Commercial Bank of China to conduct securities business in Russia, and China should urge other commercial banks to conduct more business in Russia with a tolerant and open attitude in the future, such as custody, client trading and proprietary business, so as to promote deeper financial cooperation between the two countries.

Actively promote the space for regional financial cooperation under the Belt and Road Initiative. According to the proposal of "One Belt And One Road" and the requirement of the continuous and steady progress of "Eurasian Union", it is very important to further strengthen the financial cooperation between China and Russia, and the scope of financial cooperation between regions should also be continuously expanded. In 2018, China and Russia held a roundtable meeting on financial cooperation.

Many guests at the meeting said that currently the two countries are at a critical juncture of economic transformation and upgrading, the economic cooperation between the two countries is also continuously deepening, and the economic and trade cooperation is also in a critical period of deepening. All these need to be supported by the strengthening of China-Russia financial cooperation. The smooth progress of bilateral trade and rapid development of investment between China and Russia cannot be achieved without the joint efforts of both sides [62, p. 127].

Table 12 – Bilateral trade between China and Russia in 2018, 100 million dollars [11]

1	Total bilateral trade	1082.8	year-on-year growth	25.4
2	Russian exports	560.7	year-on-year growth	44.1
3	Russian imports	522.2	year-on-year growth	8.7

China's Ministry of Commerce presented bilateral trade data for 2018. According to import and export trade data, bilateral trade totaled 67.5 billion dollars in the first eight months, up 25.7 % from the previous period. In 2018, Russia's exports to China totaled 56.07 billion dollars, up 44.1 % year on year, while its imports totaled 52.22 billion dollars, up 8.7 % year on year.

According to the investment data, China is still a major investor in Russia and has established close cooperation with Russia. The vice president of the Russian Banking Union suggested that the mode of financial cooperation between China and Russia should be continuously optimized to realize the liberalization of trade and investment between China and Russia and to increase the speed of the occurrence of this phenomenon [40, p. 23].

"One Belt And One Road" strategy under the establishment of free trade zone. The advantageous geographical position adjacent to China and Russia is the natural condition and premise of the establishment of free trade area. The two countries should take the "One Belt And One Road" strategy as an opportunity to establish a free trade area, so as to strengthen economic and trade development, strengthen bilateral trade cooperation and establish corresponding mechanisms, so as to provide favorable and convenient for bilateral mutual investment.

The establishment of Sino-Russian free trade area is an important way for both sides to cope with the financial risks of globalization, and it is also the result of political mutual trust and economic deepening cooperation between the two countries. With the continuous deepening of economic and trade cooperation between China and Russia, the degree of bilateral trade liberalization in some regions is extremely deep, and the economic and trade cooperation in the border areas between the two countries is booming. Between China and Russia should cooperate each other to decrease trade barriers, encourage bilateral trade volume to ascend, and if in the original to deepen economic and trade cooperation to build on the basis of free trade zone between China and Russia, to a greater degree of market integration, deepen mutually beneficial cooperation, for direct investment between the two countries to provide more convenient conditions, At the same time, it can reduce trade barriers and promote the development of Sino-Russian intra-industry trade to the greatest extent [55, p. 64].

Innovative ways of cooperation under the Belt and Road Initiative. China should effectively connect the projects and major plans on the existing cooperation platform and cooperation mechanism, make innovations in the new requirements and challenges of the existing plans and projects, and constantly improve the existing bilateral cooperation mechanism.

The two countries should gradually improve the bilateral cooperation mechanism, actively devote themselves to the construction of "One Belt And One Road" specific action lines and plans, give full play to government functions, actively communicate, contact and consult with the Russian government, and commit themselves to the smooth progress of economic and trade cooperation. On the basis of utilizing and integrating existing multilateral mechanisms, we should actively explore and innovate cooperation mechanisms according to current needs, build a mutually beneficial, sustainable and efficient multilateral cooperation mechanism platform of "One Belt And One Road", and facilitate the implementation of the "One Belt And One Road" strategic vision.

At the same time, in the process of innovating and building a multilateral cooperation mechanism that serves the strategic vision of "One Belt And One Road", we must give top priority to practical cooperation and effectiveness. With the proposal and continuous

implementation of the "One Belt And One Road" strategic conception, the two countries are further exploring the new era of promoting economic relations in the aspect of trade cooperation. In the long run, China and Russia should strengthen economic integration with countries along the Belt and Road, improve their economic structure, enhance their ability to resist financial risks and enhance the sustainability of economic development through the construction of the Belt and Road Initiative.

To strengthen bilateral economic cooperation between the two countries and friendly exchanges, in 2010 the two sides have successfully signed a memorandum of cooperation, the two governments on economic modernization field the completion of the move also means that the two countries will after strengthening economic and trade cooperation and also for the two sides cooperate with scientific research institutions in the field of innovation roadmap. Both sides should strengthen mutual cooperation and jointly research and develop projects in the high-tech field to promote the development of high-tech.

Examples include energy conservation and energy efficiency, the peaceful use of nuclear energy, transportation, aerospace, information exchange technology, microtechnology, biotechnology, environmental protection, and the production of new materials. In addition, with the rapid development of economy, the pattern of economic development in exploration, the two sides are also faced with the transformation of the pattern of economic development will inevitably, China needs to solve the current situation of the main is to want to number will be used to expand economic model to innovation as the driving force, to promote the development of the economy, while Russia has long for the export of oil and gas economic development model,

They also want to change the way they rely too much on exports and look for new areas of development. Among them, Russia has many years of technology and core experience in aviation, chemical pharmaceutical, manufacturing equipment and other aspects. Science and technology is the first productive force, which is also the premise of innovation. However, if Russia wants to develop high-tech fields and explore the development of high-tech, it needs a large amount of capital to drive. However, China does not lack the manufacturing experience, and also does not lack the successful experience in the manufacturing field. China needs to integrate the manufacturing industry and scientific

and technological innovation technology, to promote the level of the manufacturing industry with innovation, and to develop more advanced equipment.

Is complementary technology and the demand of both sides, the two countries in too many for high-tech innovation industry cooperation in the field of opportunity, the two countries in the field of high-tech industry innovation cooperation has a great complement "area" strategy will help China and Russia in the nanomaterials "nuclear" chemical pharmaceutical, the rapid development of aerospace and other industries. For some aircraft projects that China urgently needs to solve, cooperation opportunities can be used to meet the needs of the Chinese market, and at the same time work on research and development and creation, forming a new market competition pattern of global large aircraft manufacturing [1, p. 15].

Increase the intensity and scale of mutual investment between China and Russia. At present, the overall scale of mutual investment between China and Russia is relatively small, which cannot effectively drive the development of bilateral economic and trade cooperation. Therefore, it is necessary to increase the intensity and scale of mutual investment between China and Russia.

Russia has joined the WTO, will orderly by steps to open the domestic market and improve the domestic investment environment. In particular, Russia put forward the idea of getting rid of excessive dependence on energy and raw materials and developing innovative economy, and launched the eastern development strategy, which made it an inevitable trend for Russia to introduce foreign capital. At the same time, it has brought great opportunities for Chinese enterprises to enter Russia's five innovative economic sectors, namely energy conservation and environmental protection, nuclear technology, aerospace and communications, biological medicine and strategic information technology, as well as the gradually opening sectors such as telecommunications, transportation, insurance and banking.

The investment cooperation between the two sides should be carried out within the framework of the China-Russia Investment Cooperation Committee, continue to implement the Outline of China-Russia Investment Cooperation Plan, and focus on promoting cooperation on major projects. Under the framework of the "Silk Road Economic Belt" and

the "Eurasian Economic Union", China will strive to achieve the docking of "Made in China 2025" and Russia's "Innovation 2020 Strategy", optimize the bilateral trade structure and put bilateral investment on a new track by innovating cooperation models [1, p. 17].

The eastern region of Russia is rich in resources and has obvious market advantages. Therefore, the development of cross-border industries, extension of industrial chains, smart development of investment fields and derivative and related trade should be the focus of China-Russia cooperation. In particular, China and Russia's neighboring regions should give full play to their geographical advantages and strive to build a platform for investment and cooperation with Russia.

In the investment cooperation with Russia, we should adhere to innovation and seek new driving forces for investment cooperation in addition to the traditional industrial chain. In order to open up the Russian market, China's superior enterprises should be encouraged to export technologies, capital and services to Russia. China will support competent enterprises to make direct investment in energy and resource exploration and development in Russia and expand cooperation in agricultural investment in Russia. While continuing to strengthen infrastructure development in energy, forestry, communications, transportation and engineering, we should open up new areas of investment and cooperation with Russia.

For a long time, the Russian government has attached great importance to the development and development of the eastern region. In order to promote the implementation of the Far East development strategy, the Ministry of Development for the Far East of Russia issued the advanced economic development zone planning in April 2014, which stipulates that 23 advanced economic development zones will be set up in the nine federal subjects of the Far East Federal District.

Economic and trade cooperation is deepening. Over the past seven years, trade cooperation between China and One Belt And One Road has been significantly accelerated. According to a 2018 report by Dutch multinational bank ING, One Belt And One Road could boost international trade by 12 % by facilitating trade flows between countries along the routes, especially those in Central, Eastern, Middle East and Southeast Asia.

First, trade facilitation has been improved. Since China launched the Belt and Road Trade Unimpeded Cooperation Initiative in May 2017, more than 80 countries and

international organizations have taken an active part in the initiative, which aims to promote and expand trade by promoting trade facilitation, developing new forms of business and promoting cooperation in trade in services. The opening of the China International Import Expo provides a new platform for expanding economic and trade cooperation, including with "One Belt And One Road" countries. "One Belt And One Road" customs inspection and quarantine cooperation has been deepened. By the end of 2019, the Chinese Customs had signed mutual recognition arrangements with 18 One Belt And One Road countries along the Belt and Road, and signed 89 cooperation documents on inspection and quarantine involving countries along the Belt and Road, among which, Based on the Initiative to Jointly Promote the Construction and Cooperation of "Smart Customs, Smart Borders and Smart Connectivity", the "Three Intelligence" cooperation has accelerated the construction of a customs information exchange and sharing platform and a "single window" for international trade.

Second, trade and contracted projects grew steadily. The total volume of imports and exports of goods between China and Belt and Road cooperation countries increased from 1.12 trillion dollars in 2014 to 6.3 trillion dollars in 2019, with an average annual growth rate of 6.1 %. In 2019, China's foreign trade grew by 10.8 %, more than 7.4 percentage points faster than the 3.4 % growth in the same period. The proportion of trade in goods between China and the Belt and Road countries in China's total trade in goods increased from 26 % in 2014 to about 30 % in 2019. Service outsourcing from B&R countries increased from 9.84 billion dollars in 2014 to 18.47 billion dollars in 2019. In the first half of 2020, although the import and export of China and the "One Belt And One Road" countries were affected by the epidemic, the year-on-year decline was 0.9 %, but 2.3 percentage points lower than the overall decline of China's foreign trade, of which the trade volume between China and ASEAN increased by 5.6 %. The turnover of contracted projects in B&R countries increased from 69.26 billion dollars in 2015 to 97.98 billion dollars in 2019 [11].

Third, new forms of trade are emerging rapidly. Cross-border e-commerce and other new business models between China and countries along the Belt and Road have become a new driving force for trade development. Digital trade between China and Belt and Road

countries of 2019, the number of partner countries of the Silk Road E-commerce Initiative had expanded to 22, making significant contributions to the common fight against the epidemic.

Investment and production capacity cooperation were accelerated. China's non-financial direct investment in the "One Belt And One Road" countries increased from 14.82 billion dollars in 2015 to 15.04 billion dollars in 2019, and the cumulative financial direct investment in 2014 to 2019 reached 88.05 billion dollars. From January to June in 2020, China's non-financial direct investment in the 54 countries along the Belt and Road reached 8.12 billion dollars. That's up 19.4 % year on year. By the end of 2019, 138 foreign economic and trade cooperation zones were under construction or completed in 46 countries along the "One Belt And One Road" route.

China stepped up efforts to develop the Eastern Industrial Park in Ethiopia, the Sihanoukville Industrial Park in Cambodia, and the China-Belarus Industrial Park in Belarus. China has invested a total of 36.63 billion dollars in overseas cooperation zones, with 4,663 enterprises settling in the zones, employing more than 300,000 local people and paying 3.08 billion dollars in taxes and fees to host countries (as of the end of September 2018).

The research shows that overseas industrial parks promote the economic development of countries along the Belt and Road through three micro-mechanisms of "innovation agglomeration", "industrial agglomeration" and "credit agglomeration", and their economic benefits have a significant lag, which is generally prominent in the fifth to 12th year after the establishment (the economy has increased by 30 % significantly). It can be seen that with the completion of industrial parks, their contribution to the future economic and social development of the countries where they are located will continue to increase. In January 2020, the "One Belt And One Road" Industrial Park Alliance was established in Chengdu, which will further drive the construction of overseas cooperative parks [9].

Financing continues to add. Since 2013, the investment and financing system of "One Belt And One Road" has been gradually improved and the financial support has been continuously increased. First, "One Belt And One Road" new financing cooperation platform diversification. The Asian Infrastructure Investment Bank, the BRICS New

Development Bank, the Silk Road Fund and the Multilateral Development Financing Cooperation Center Fund have become important financing platforms for the "One Belt And One Road".

By July 2019, the Multilateral Development Financing Cooperation Center Fund had approved 46 loan projects totaling 8.5 billion dollars from 18 members. In addition, the Silk Road Fund and the European Investment Fund jointly established the China-EU Joint Investment Fund in 2018. As of October 2019, the Silk Road Fund had signed 34 projects with a commitment of about 12.3 billion dollars. Fifty-five countries and regions and 89 financial institutions have participated in the "One Belt And One Road" inter-bank cooperation mechanism, with a commitment of 43 billion dollars (as of April 2019).

The Russian government has decided to significantly increase the scale of investment in the advanced economic development zones, including overseas investment. Moreover, will be in the tax collection and stop the use of land and other aspects of those enterprises to enter advanced economic development zones to provide greater preferential policies. To this end, the Russian government will introduce various preferential policies in the Far East, in order to attract foreign investors including China to invest in the region. Delivery has provided new investment opportunities for Chinese enterprises. Chinese enterprises, especially those powerful ones, should be guided to invest in the advanced economic development zones of the Russian Far East. The establishment of the Vladivostok Free Port is also conducive to attracting Chinese investment. Currently, China and Russia are negotiating and conducting in-depth cooperation on the infrastructure construction of the port.

Conclusion

Trade between China and Russia has been large in recent years and has risen in normal economic years, with China running a trade deficit before 2007 and a surplus since. The trade structure also changed from the initial labor-intensive products to the general scientific and technological products as the focus of the industrial finished products, the export trade structure has been optimized. But the structure of Russia's trade has hardly changed over the past two decades, with mineral resources and heavy goods as the main exports. Especially in recent years, the proportion of exports of mineral products is still rising, which shows that Russia's trade structure is very single.

The mutual investment between China and Russia has also been growing very slowly over the years, and Russia's investment in China has been declining. The emergence of these phenomena shows that there are still many problems in the economic and trade cooperation between Russia and China. Especially under the background of the peak of the global economy and the development of the One Belt And One Road economic belt proposed by China, strengthening the economic and trade cooperation with Russia is not only helpful to China's foreign trade economy, but also of great significance to both countries. As the world's economic powers, China and Russia live adjacent to each other. Economic cooperation is not only conducive to the in-depth exchanges between the two countries, but also conducive to the high-speed take-off of the two countries.

Of course, the impetus to the world economy is also of profound practical significance. To further promote China-Russia economic and trade relations is also a matter of concern to the whole world at present, because it will directly affect the economic pattern of all countries in the world and have a huge influence on the world economy. Under the background of "One Belt And One Road", the development of Sino-Russian economic and trade relations should not only consider the economic development of both sides, but also pay attention to the world pattern and the trend of the world economy.

China and Russia enjoy strong economic complementarity, broad areas of economic cooperation and huge potential for development. With the development of China-Russia comprehensive strategic partnership of coordination, bilateral economic and trade

cooperation has entered a period of long-term and stable development. In the future, China-Russia economic and trade cooperation under the new circumstances will continue to expand in scale, speed and level.

Russia should promote opportunities and convenient conditions for China-Russia economic and investment cooperation, and its domestic relevant laws and regulations should be in line with the relevant provisions of the World Trade Organization, and conduct economic and trade activities in accordance with the rules of the World Trade Organization. As WTO members, China and Russia conduct economic and trade cooperation in the same space and in accordance with the same rules of the WTO. The mechanisms and channels for settling economic and trade disputes between the two countries have become more complete and more open. This will standardize the economic and trade cooperation between the two countries and lay a foundation and create conditions for the rapid development of bilateral economic and trade cooperation.

The "One Belt And One Road" strategy is based on the development concept of "peace, inclusiveness and win-win", and aims to achieve a bright prospect of win-win economic cooperation by creating a favorable development environment of political mutual trust. As the initiator of the "One Belt And One Road" strategy, China shoulders the task of doing a good job of top-level design, while Russia, as an important country along the "One Belt And One Road" strategy, the two countries should timely communicate with relevant countries and regions along the "One Belt And One Road" strategy to promote the realization of the overall planning and strategic objectives. The "One Belt And One Road" initiative has promoted a new starting point for China-Russia cooperation. The two countries have engaged in economic and trade integration, policy communication and enhanced mutual trust. Unimpeded trade, financial integration and enhanced cooperation. Therefore, the two countries should actively expand the scale of economic and trade cooperation to promote the two countries to become a community of common destiny with highly intertwined interests.

As two important emerging economies in the world, China and Russia are two important markets for world economic development. Moreover, the current stage is an important stage for the reform and development of both China and Russia. The proposal of

"One Belt And One Road" strategy has promoted the economic and trade cooperation between China and Russia. In the new era of rapid economic development in both countries, the two sides should continue to strengthen practical cooperation in economy, trade, science and technology and other fields. China and Russia should, therefore, in order to "area" strategy as an opportunity to seize the new global economic development opportunity, and positive efforts to promote bilateral strategic partnership of coordination, and strengthen the bilateral economic and trade exchanges, promote trade open degree and economic alignment between the two countries, to promote bilateral economic strength and international status, achieve a win-win situation.

Therefore, no matter now or in the future, Russia is an important partner of China's foreign trade cooperation. There are broad prospects for economic cooperation between China and Russia and many opportunities for cooperation under the new situation. It is an inevitable choice for China and Russia to seize the new opportunities and deepen bilateral cooperation. It is also a driving force for the better economic and political development of the two countries. Under the current situation of both opportunities and challenges, it is a long way to go to strengthen bilateral economic cooperation. The two countries should actively promote the development of their domestic economies, so as to better promote economic cooperation between the two countries.

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