

THE EFFECT OF CHINA'S BELT AND ROAD INITIATIVE ON EUROPEAN UNION COHERENCE: FACILITATOR OR MENACE?

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The European continent has been, on various occasions, identified as a key destination of China's ambitious, \$1 trillion Belt and Road Initiative. Through Gebhard's conceptualisation and framework of European Union Coherence theory, this dissertation will demonstrate that, as a whole, the present evidence suggests that the Initiative has indeed reduced external coherence within the Union. This will be demonstrated via two empirical chapters, one dealing with the state-level response and how that demonstrates vertical incoherence, and the other addresses the Union's institutional response and how that reveals a degree of horizontal and institutional incoherence that can be attributed to the Belt and Road. This paper will also call upon other scholars to further contribute to this discussion as there is presently an acute deficiency of academic literature in this sub-field.

SECTION ONE: INTRODUCTION

PREFACE AND RESEARCH QUESTION

In September 2013, President Xi Jinping unveiled China's Belt and Road Initiative (BRI) in Kazakhstan on his tour of Central Asia, consisting of a 'Silk Road Economic Belt' (SREB) and a '21st Century Maritime Silk Road' (Huang and Zhou, 2018). The BRI claims to promote connectivity in the fields of trade and infrastructure via multi-layered collaboration amongst relevant countries and international organizations. BRI projects are poised to connect the vibrant East Asian economic circle with the developed European economic sphere (Xinhua 2015). They are also expected to allow the development potential of countries in the hinterland of Eurasia to be fully realized. Indeed, from geopolitical and geo-economic perspectives, the BRI has the potential to alter relations between China and Europe. Naturally, some have argued that facing new challenges in the international economic, political, and security systems, China and Europe are seeking to 'rediscover' each other and explore new paths tailored to their respective development and reform objectives (Casarini 2016). The Economist (2018) has observed that in 2016, BRI investment in European Union (EU) countries had doubled from 2015 to \$40 billion, with much of this being state backed. Until then, the EU had generally welcomed Chinese investment without giving it much scrutiny. But these prodigious investments, and the resultant (or perceived) power and influence that Beijing was gaining, has caused disquiet in Brussels—particularly with regard to the Union's smaller or less prosperous members (Herrero and Xu 2016; Kyngé and Peel 2017).

BRI investment has been defined by regional tendencies. In Central and Eastern Europe (CEE), the emphasis has been on infrastructure projects, presumably to

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solidify links between Europe and other BRI projects farther east. When several CEE countries became members of the EU, Beijing was interested in strengthening relations with this dynamic but less economically developed sub-region. As Szunomár (2018) has noted, Chinese investment and trade volumes in the region have constantly risen over the past two decades, accelerating after the 2008 economic recession. Furthermore, the establishment of the “16+1” Initiative in 2012—a “platform of dialogue” between Beijing and sixteen CEE countries, 11 of which are EU members—underscores the region’s importance to Beijing. It should be noted that while the “16+1” platform was established before the BRI was launched, it has since been used as a means by which BRI-related affairs can be discussed (Casarini 2015; Meunier 2014). Meanwhile, in southern Europe, Chinese state-backed buyers have enthusiastically engaged in the slew of privatizations in the aftermath of the eurozone crisis. In Portugal, Chinese investors have bought sizeable stakes in ports, hotels, and in the country’s main electricity provider. Similarly, Beijing has provided Greece with capital and investment throughout the economic crisis. All this raises the question of how the BRI’s increasing and varied presence in the Union may affect its coherence.

While an emerging, fascinating body of literature exists on the European response to the BRI (Van der Putten 2016a; Mohan 2018; Amighini 2017; Rolland 2017), and whether the BRI is economically beneficial to the EU (Hurley et al. 2018; Herrero and Xu 2017; Müller-Markus, 2016; Casarini, 2015), present literature has not addressed the potential consequences that the BRI might have on EU external coherence. External coherence is crucial for the EU as it determines its ability to “speak with one voice,” especially when a “swift and united” response is needed (Gebhard 2017, 124). This paper aims to bridge the gap in the present literature by answering the following research question: “To what extent has China’s Belt and Road Initiative reduced European Union external coherence?” In addressing this question, my dissertation will employ Gebhard’s (2017) conceptualization of the various strands of coherence in the EU and how they can be measured. The paper will then assess whether the BRI has infringed upon each of the three strands (vertical, horizontal, and institutional) of coherence (which, together, constitutes external coherence), thus evaluating whether it has reduced the Union’s external coherence—its ability to speak with a single voice.

THE SIGNIFICANCE OF COHERENCE: “ACTORNESS”

Scholars such as Bretherton and Vogler (2006, 2013) and Mayer (2013, 2016) have written comprehensively about the notion of “actorness”, and the extent to which the EU can be viewed as an actor in the arena of global politics. They have argued that the EU is a non-traditional or *sui generis* actor. Their framework of “actorness” comprises of three components: presence, opportunity, and capability. Presence refers to the “ability of an actor to exert influence beyond its borders...and shape the perceptions, expectations and behaviour” (2013, 376) of other actors. The perception of EU unity from third- parties is crucial if the Union is to effectively influence other actors. On

the other hand, perceived divisions between the EU and its members will lead to inefficiencies and a lack of credibility in foreign affairs. Vertical coherence—commitment to Union ideals, adaptation of similar positions—is therefore essential to this aspect of “actorness.”

Meanwhile, opportunity refers to the potential for external ideas or events to facilitate or hamper the Union’s capability or autonomy. This relates to external coherence as the Union’s common foreign policy positions are not shaped exclusively by EU actors alone, but also by global power dynamics. The EU’s positions are thus not constructed in isolation and need to be ‘mutually reinforced’ by third parties (Mayer 2013, 110). Lastly, capability applies to the internal realm of the Union’s external action. Horizontal coherence is significant here as the ability for the Union’s institutions to harmonize policy into an integral strategy would directly affect its ability to engage in global affairs. Similarly, the ability within the Union’s institutions to coordinate policies and aims, or “institutional coherence,” contributes to its “international presence” as it will affect “understandings among third parties about the effectiveness of the Union’s policy processes, and appropriateness/availability of policy instruments...” (2013, 113)

STRUCTURE OF ARTICLE

To answer the research question, the paper will be structured as follows. Section two will outline Gebhard’s (2017) framework of the different types of coherences that can be present within the Union. The section will then present the rationale for case selections of the empirical sections. Section three, the first of two empirical ones, will then explore how different EU countries have individually responded to the BRI, and whether there has been any perceptible reduction of vertical coherence as a result of that. Section four will then evaluate the Union-level response to the BRI in terms of specific policy frameworks, and whether this is a reflection of horizontal or institutional incoherence that has been caused by the BRI. Section five will make the link between the theoretical framework of section two and the empirical findings of section three and four. Particular attention will be devoted to two areas: firstly, the extent to which the EU members states studied have diverged from EU positions, standards, and norms as a result of the BRI and what the implications are for vertical, and thus external coherence. Secondly, whether the BRI has affected horizontal and institutional coherence—both components of external coherence—as evidenced by the EU-level response and strategy. Finally, section six will conclude by determining if the BRI has altered EU external coherence, or if the results are inconclusive.

SECTION TWO: THEORY AND METHODS

EU COHERENCE THEORY

The notion of (in)coherence has plagued the European project from its outset, although the first use of the term is debated. Up to the seventies, “coherence” was primarily used in conjunction with “cohesion”, with the purpose of describing political

unity and the advantages that states would reap if they collaborated on issues related to foreign policy. The formation of the European Political Cooperation in 1970 precipitated the use of “coherence” as is depicted contemporarily, also for the intents and purposes of this paper—the intention and importance of bringing together the different strands of the EU’s foreign relations, both in terms of procedure and strategy (Gebhard, 2017, 123–125).

Scholars such as Laatikainen and Smith (2006) as well as Heldt and Meunier (2005) have demonstrated a correlation between EU coherence and its ability to be effective in external actions. Others such as Gebhard (2017) and Nuttall (2001) have noted that although ‘coherence’ has been a recurring issue from the 1970s, the concept has persisted in its ambiguity up to the present. By and large, there are two facets to the term: the first being a strategic/policy-related aspect that refers to incongruous objectives and incompatible political agendas and the second, a technical/procedural aspect that deals with the administrative ramifications of harmonizing the different mediums of policymaking, while simultaneously involving bureaucratic machineries and conceivably diverse manners of operation and culture (Gebhard 2017, 127). Nevertheless, Gebhard’s (2017) conception of European Coherence is best suited to address this question for two key reasons: first, she elucidates and separates the various facets of coherence into four discrete elements; second, evaluating the effects that the BRI may have on different facets of EU Coherence allows us to identify how, and to what degree the BRI affects the performance of the EU as an international player. She then goes on to identify four different strands of “coherences” that relate to EU external relations, namely: vertical coherence, horizontal coherence, internal coherence, and external coherence. Notably, external coherence is a product of the other three strands of coherence.

Vertical Coherence

This refers to the concertation (loosely translated as cooperation or cohesion) of member states’ positions and policies with regard to the overall consensus or common position at EU level—between the member states and the Union. Vertical coherence includes overall compliance with political arrangements laid down in EU treaties and the “technical compatibility” of specific state policies with EU regulations. Therefore, vertical coherence refers to matters of solidarity, compatibility of state-Union policy and the “bottom-up” dedication to continuing integration, as well as the habitual willingness to comply with the *acquis* (common rights and obligations that are binding on all member states) even as it evolves over time. Notably, vertical coherence refers specifically to the actions and pronouncements of national capitals, rather than member states working via an EU institution, i.e. the Council of Ministers (Gebhard 2017, 129).

Horizontal Coherence

This strand of coherence concerns strategic and inter-institutional concertation at EU level, especially the relationship between the supranational and intergovernmental

spheres of the Union. Consequently, it pertains to the relationship between the Council of the EU and the European Commission (EC), as they are the two key institutions that oversee these two spheres. Therefore, horizontal coherence is attained when the general aim(s) of a strategy or actions converge at EU level, augmented by procedural and technical coherence across the various institutions during planning and execution (Gebhard 2017, 130).

Institutional Coherence

Institutional coherence describes the soundness of operations within each sphere (i.e. supranational and intergovernmental) of EU external relations, such as the running of the Common Foreign and Security Policy (CFSP). Gebhard (2017, 130) also argues that internal coherence is chiefly a matter of administrative, procedural and technical development as opposed to strategic intentions or whether policy content converges or is at conflict. The fundamental difficulty here is integrating the amalgam of bureaucratic machinery into a decision-making system that successfully fulfils official policy objectives.

The sum of the three coherences detailed above is external coherence, the ability to “speak with one voice” (Gebhard 2017, 124; Mayer 2013, 108) It concerns the manner in which the Union presents itself to other nation-states or international organizations within a multilateral system, which would in turn affect the EU’s relationship with bodies such as NATO, the UN or with other superpowers such as China or the U.S. Gebhard (2017, 130) notes that in order for the EU to be perceived as a unitary actor and for it to be “functional and responsive”, it would have to establish “technical interoperability” with other global actors—a key measure of external coherence. Notably, external coherence is an inevitable product of the other three coherences: any lapses in coordinating positions or processes amongst member states or between the EU’s supranational bodies will inherently have an effect on the EU’s ability present itself to third parties, affecting its credibility as a global actor.

Notably, these seemingly separate strands of coherence are intrinsically interconnected, and are mutually strengthening. As an example, while the viability and effectiveness of the CFSP is determined primarily by vertical coherence; it also affects the capacity of the EU to “speak with one voice” and offer a prompt “common” response—a key determinant of external coherence. On the other hand, issues occurring in the sphere of internal coherence are regularly expressed in the context of concerns regarding horizontal coherence (Gebhard 2017, 131). Lastly, attaining horizontal coherence is inevitably connected with the credibility, consistency and interoperability of the Union as a global actor, which is in turn a function of external coherence. In short, while these four “coherences” are distinct from one another, they should not be treated as disparate entities.

RESEARCH AND CASE SELECTION METHODS

Comparative design of section three

Section three, which analyses the manner in which different Union member states

have responded to the BRI, employs the use of comparative case studies. Bryman (2012, 73–74) has argued that the primary objective of a comparative method allows for the examination of “particular issues or phenomena in two or more countries with the express intention of comparing their manifestations in different socio-cultural settings...using the same research instruments.” This method was selected for section three as I believe that it would allow me to thoroughly compare and analyze how different EU nations have responded to the BRI, and in turn, what that tells us about the BRI’s effect on vertical coherence. In comparison, a single case-study, despite allowing for a more in-depth analysis, would have a more limited external validity—the analysis of a single EU member would not make for a meaningful or accurate evaluation of the Union’s collective response to the BRI. As the following sections will demonstrate, there is significant diversity in the responses of the different member states. Meanwhile, something like a longitudinal study on the BRI is not feasible as it was only announced in 2013, and only really began to manifest in the EU from late 2015.

Case selection for section three

The primary objective of section three is to determine the extent to which different states within the Union have engaged with the BRI, and then aiming to determine whether they have diverged with the EU’s positions on China or the BRI. Since a representative selection of different member states was made based on the information at the time of writing, fourteen EU nations have acknowledged the presence of BRI-related activity/investments in their countries (Van Der Putten et al. 2016). This data, alongside official infrastructure initiatives that have been announced by the Chinese government, allowed for an identification of the member states in which land-based or maritime infrastructure initiatives have taken material form. Using this criterion eliminates the Nordic countries as well as Portugal and Spain, who play no concrete role in the BRI at present (2016, 5–7). At the time of research and writing, the BRI’s key focus has been on Western Europe and CEE as well as Italy and Greece, whose proximity to the Mediterranean has given them a dominant role in the maritime aspect of the BRI (2016, 32). While Italy will make an interesting case as the first G7 country to officially participate in the BRI, it has not been selected as a case simply because its participation with the BRI is still in its infancy (Geraci 2019). Similarly, Britain would make for a unique case study because of its involvement in the BRI via its financial markets but it is scheduled to leave the bloc (Blitz 2016).

Naturally, a geographically representative selection would involve the analysis of countries in the Western European, CEE, and Mediterranean region while a politically representative selection would take into account the different countries’ varying levels of engagement vis-à-vis the BRI. The Netherlands was chosen, as despite its official involvement in the SREB via the Port of Rotterdam, it has appeared to be indifferent to other aspects of the BRI (Van Der Putten et al., 2016). Similarly, Germany is part of the SREB, but has publicly appeared to be wary of the BRI and has repeatedly stressed the need for a united EU response to China’s “infrastructure

diplomacy” (Gaspers 2016). Meanwhile, evidence suggests that Hungary and Greece have been actively engaged with the BRI, especially with regard to their respective domestic and foreign policies (Kynge and Peel 2017; Rolland 2017). Notably, they have assumed pro-China positions on various occasions. Therefore, section three’s selection of countries is composed of three groups: indifferent, cautious, and supportive of the BRI, respectively.

Union-level response as single case study in section four

Section four considers the Union-level response to the BRI as a single case study. This is because there has been no overarching EU-level strategy vis-à-vis the BRI; instead, the Union deals with the BRI within the rest of its China strategy, most predominantly in the EU-China Connectivity Platform. Generally, the EU also does not elaborate on the BRI in its official communiqués or proposals, instead mentioning it in passing or merely as an aspect of broader Chinese investment. All this makes the demarcation of each component of the EU response into individual case studies problematic. Section four will therefore regard the EU’s institutional level strategy as a single in-depth case study, determining if there is evidence to suggest that the BRI has reduced horizontal or institutional coherence.

CONCLUSION

EU Coherence theory is of great importance to this study because it allows for the analytical explanation of whether the BRI has altered the Union’s standing in the global political arena. Breaking that down further into the different strands of coherence that Gebhard (2017) has theorized will enable a more specific evaluation of the extent or area(s) in which the BRI has reduced coherence—at a state or institution level or both—if it has. Consequently, there are three possible outcomes in the analysis of the BRI’s effect on coherence: there could either be no change on coherence, an increase of coherence or a reduction of coherence. Alternatively, the results presented in the empirical sections could be such that it is not possible to place the BRI’s effects into one of the above three categories. For example, section three could find that the BRI has caused vertical coherence to increase while section four has found that horizontal coherence is unchanged, and that institutional coherence is reduced. The results would then be inconclusive.

SECTION THREE: MEMBER-STATE RESPONSES TO THE BRI

SECTION INTRODUCTION

The focus of this section is on how individual EU nations have responded to the BRI and test if this has had any influence on vertical coherence. This section will summarize and evaluate the individual responses of the Hungarian, Greek, Dutch, and German governments in three distinct sub-sections: firstly, the characterization of each member-state’s response, secondly, tangible projects that can be directly linked to the BRI, and thirdly, if the BRI has caused a divergence between the foreign-policies

of these countries and the EU. The sub-sections for the individual nations will end with a brief conclusion, followed by a section conclusion. Finally, the results from this empirical section will be analyzed in section five.

HUNGARY

Domestic policy position vis-à-vis the BRI

From President Orbán's accession in 2010, his government has pledged "to effectively advance national interests... that go beyond Hungary's borders, executing a value based foreign policy" (Vörös and Tarrósy 2014, 142). Additionally, Hungary's position seems to be promoting an 'eastward opening', placing China as a key partner. With warming Sino-Hungarian ties there has been an increased focus on engaging with the BRI, as the Orbán administration is keen on increasing investment into their economy, financing debt, and improving existing infrastructure (2014, 145–159). Hungary also became the first EU member-state to sign a Memorandum of Understanding (MoU) with China on the BRI in June 2015, pledging to promote the SREB during Chinese Foreign Minister Wang Yi's visit to Budapest (Matura 2015, 10; Szunomar 2018, 80).

Type of Coherence	Focus
Vertical	Between member states and the EU
Horizontal	Between supranational spheres at EU level
Institutional (internal)	Within each domain of external action
External	EU ability to 'speak with a single voice' (sum of the other three coherences)

Material BRI infrastructure projects

Among the most ambitious and prominent of all BRI projects is the construction of a new, 350-kilometer-long Belgrade-Budapest high speed railroad, valued at approximately \$2.89 billion. It promises to reduce the travel times between the two capital cities from eight hours to approximately three and a half (Kowalski 2017, 3). For China, this railway line is strategically significant as it helps to connect the now Chinese-controlled Greek port of Piraeus to key cities in Eastern Europe, and comprises a key section of China's so-called "Land Sea Express Route" that involves the construction of transport links in Hungary, Serbia, and Macedonia (Tiezzi 2015).

Notably, there were suspicions about the terms of the agreements that were not made public. In February 2017, the EC opened an investigation into the project to ascertain if the tendering procedure for the Hungarian section of the railway had been done in compliance with EU law (Kynge et al. 2017). Crucially, no contract related to the Hungarian section of the railway was made public. Instead, a bilateral Sino-Hungarian treaty from November 2015 featured a call for selected companies to cooperate on the project. The project was to be financed by China's Eximbank, built by a joint venture of Chinese companies including China Railway International and China Communications Construction Company, and was to be implemented by the Hungarian State Railways (Kowalski 2017, 13–15). For the EC, at question are the

respective agreements signed by the Hungarian and Serbian authorities—with the primary attention on Hungary, a full member state that is bound by the full rigor of EU- procurement legislation (Kynge et al. 2017). This bilateral and arguably opaque deal is viewed by the European Chamber of Commerce as “completely bypassing European rules to public bids” (Pira and Oggi 2017).

Foreign Policy: Divergence with the EU?

The Orbán administration has actively fostered the Beijing-Budapest relationship, officially referencing the BRI on numerous occasions. Unsurprisingly, Hungary is viewed by various scholars such as Van Der Putten et al. (2016) and Macri (2019) to be one of the EU’s most diplomatically active states with the BRI, especially via the 16+1 mechanism (Weidenfield, 2018; Kowalski 2017, 4). Hungary has been amongst the most active countries in terms of its commitment to improving relations with China. President Orbán attended the BRI Forum in May 2017 with his Minister of Trade and Foreign Affairs, Péter Szijjártó and signed the Joint Communiqué following the Forum, a document that the EU refused to sign as a bloc (Li 2017). Interestingly, Hungary was one of only six EU members who sent their heads of government to the forum, the other five being Poland, Greece, Czechia, Spain and Italy.

Perhaps more ominous for the EU is Hungary’s repeated recalcitrance towards the bloc’s official positions with regard to China, which can be attributed to the closer Beijing-Budapest relationship, of which the BRI has been a catalyst. In July 2016, when The Hague ruled on China’s claims in the South China Sea, Hungary repeatedly vetoed a forcefully worded EU memorandum that explicitly referenced China (Emmott 2016). Budapest also parried a joint EU declaration at the UN Human Rights Council (UNHRC), criticizing China’s human rights record with regard to its treatment of ethnic and religious minorities (The Economist 2018; Emmott and Koutantou 2017). Finally, in April 2018, 27 of the 28 EU member states’ ambassadors to China signed a statement that accused the BRI of “running counter to the EU agenda for liberalizing trade and pushing the balance of power in favor Chinese subsidized companies,” also accusing Beijing of capitalizing on the “unequal distribution power” in its bilateral engagement with the Union’s members. Hungary refused to be a signatory of this document, much to the chagrin of the EU (Prasad 2018).

GREECE

Introduction

As the country struggles in “economic quicksand”, Prime Minister Alexis Tsipras of the populist left-wing Syriza coalition has publicly stated that “this investment will be the start of a new series of investments” (Xinhua 2018), with regard to the BRI’s involvement in Greece. Naturally, Greece’s Mediterranean locale with its proximity to Asia, Africa and Europe, makes it a key strategic interest for Beijing’s Maritime Silk Road aspect of the BRI. As Tzogopoulos (2013) has opined, Greece “constitutes the most eastern part of the West...a starting point for the continuation and expansion of Beijing’s presence in the old continent.” Greece formalized its cooperation with the

BRI in August 2018 with a signing of a MoU during a visit by Greek Foreign Minister Nikos Kotzias to Beijing (OBOR Europe 2018). Notably, Greece's relationship with the EU has been strained in recent times, especially with regard to the former's debt-crisis and the latter's resultant imposition of austerity measures on the Greek economy (Horowitz and Alderman 2017).

Material BRI infrastructure projects

Chinese shipping giant Cosco's US\$ 4.3 billion acquisition of the port of Piraeus (within the urban area of Athens) in January 2016 is the BRI's most prominent infrastructure initiative in Greece to date. Specifically, Cosco has won a 35-year management lease for Piers II and III, the largest two of the three terminals in the port. After the privatization of the port, Cosco has continually invested money in upgrading the port's infrastructure, which assisted it in attracting multinational corporations such as Hewlett-Packard, Huawei, and Maersk to operate out of Piraeus (Casarini 2015, 8). As a result of this Chinese investment, Piraeus has become the EU's fastest expanding port in terms of twenty-foot equivalent units (TEU-unit measuring the volume of a shipping container). The traffic via the Piraeus container terminal (operated as a subsidiary of Cosco) has almost quadrupled from 880,000 TEU in 2010 to 3.6 million TEU in 2015, this has caused Piraeus' international ranking in terms of container throughput to rise from the 93rd to 39th position in the same five-year period (Glass 2016). While the privatization of Piraeus is the only concrete BRI transport project in Greece to date, there have been proposals to expand and modernize the supporting infrastructure around the port. The most apparent example of which is China's pledge to modernize the Greek railway lines, facilitating the speedier transport of goods from Piraeus to CEE regions via Thessaloniki and Macedonia (Casarini 2015, 4).

Foreign Policy: Divergence with the EU?

In contrast to Hungary's actions on the contract awarding process of the Belgrade-Budapest railway line, Greece allowed an open-tender bidding process for the privatization of the Piraeus port. Nevertheless, there has been concern about the potential effects that Chinese control of the port may have on the preservation of EU law. Van der Putten (2014) has written extensively about the likelihood of fake and undeclared goods from China entering EU markets via Piraeus. While there is little proof that Cosco's control of the Piraeus port has exacerbated the inflow of contraband items into the EU, some experts believe that this inflow has "grown substantially" since Cosco began running Piraeus' pier II terminal. It has been argued that this movement of fake goods is facilitated by corrupt Greek and Chinese port officials. Indeed, 64% of all fake goods confiscated at the borders of EU countries in 2012 had Chinese origins (2014, 62).

More broadly, evidence suggests that Greece's engagement with the BRI has led it to diverge with the EU on a range of China-related foreign policy issues. In July 2016, the Permanent Court of Arbitration ruled that that Chinese claims to maritime

areas within the “nine-dash line” were unlawful according to standards set by the United Nations Convention on the Law of the Sea (UNCLOS). Following this verdict, the Union’s High Representative, Federica Mogherini issued a declaration that all parties, especially China, should resolve this matter in accordance with international maritime laws and norms. After three days of discussion in Brussels, officials from Hungary, Croatia, and Greece compelled the EU to “water down” its statement on Beijing’s activities in the South China Sea, avoiding a direct reference to China (EEAS 2016). As an unnamed senior EU diplomat remarked: “It is not easy to speak with one voice...the way we phrase the statement is very sensitive” (Emmott 2016). Similarly, Greece vetoed the bloc’s statement on the promotion of free speech and advocating the end of capital punishment at the UNHRC 2017 summit. Athens claimed that the statement’s direct reference to China was “unconstructive, selective criticisms” of China (Denyer 2017). Notably, this marked the first time that the EU 28 was unable to issue a communique at the conclusion of the UNHRC’s annual conference. An official from the Chinese foreign ministry responded to this by “expressing appreciation to the relevant EU country for upholding the correct position” (Emmott 2016). Lastly, Greece (and Czechia) “watered down” an EC announcement on a proposed screening mechanism for foreign investments into the EU, with the former stating that Chinese investment was the cause of its antagonism to this mechanism (Meunier 2019; Rasmussen Global 2017).

Conclusions

It is evident that Greece adopts a much more pro-China stance than Union does as a bloc. While this does not reduce vertical coherence per se, there are two aspects of the BRI’s presence in Greece that should worry the Union. Firstly, the likelihood that China is using its control of Piraeus as a means to facilitate the inflow of Chinese-made contraband goods implies that this BRI project has allowed Beijing to flout EU-law via Greece. One of the key criteria of vertical coherence is the compatibility of state policy with EU regulation, if this inflow is found to be true—and the preliminary evidence suggests so—then the BRI has reduced vertical coherence in this aspect. Secondly, Greece’s repeated rejection of various EU positions on China is at conflict with the “solidarity” and “policy compliance” dimensions of vertical coherence.

GERMANY

Introduction

As the EU’s largest economy and a founding member, Germany has had a long history of engagement with China. Despite being key trade partners, the response from Merkel’s government on the BRI can arguably be described as hesitant and wary. The German government sees only mediocre opportunities for its businesses to engage and profit from the BRI and is a strong advocate of a united EU position on China and the BRI (Benner et al., 2016).

Material BRI infrastructure projects

The BRI has neither yielded infrastructure investments in Germany nor has it been featured as a cornerstone of Chinese Merger and Acquisition (M&A) activities. Instead, BRI related projects in Germany have been confined to the retroactive re-branding of various infrastructure projects that were established from 2011 to 2015, examples of which include the Leipzig-Shenyang and Hamburg-Harbin railway links. (Van Der Putten et al. 2016, 25). Because of the important trade relationship between the two countries, it is unsurprising that Germany forms part of the BRI's SREB. On official maps illustrating the BRI, the major hubs of Berlin, Hamburg, Duisburg, and Leipzig are clearly depicted. However, these were announced prior to the launch of the BRI in 2013 and were subsequently "retrofitted" into the BRI (2016, 27). This implies that Germany was never a key component for BRI projects; instead, this re-branding of German projects was to ensure that the Chinese government had a more united approach vis-à-vis the BRI in Europe.

Foreign Policy: Divergence with the EU?

During the May 2017 BRI forum in Beijing, Germany was represented by its Minister of Economic Affairs, Brigitte Zypries. This is in contrast to other member states such as Hungary and Greece who sent their prime ministers as heads of delegations (Xinhua 2017). More significantly, Germany was not a signatory of the Communiqué issued upon the conclusion of the forum, choosing to adopt the EU's official position of not formally endorsing the BRI. The German hesitance to fully engage with the BRI can be attributed to its concerns of an unequal relationship between Beijing and Berlin, where most of the decision making and contract awarding will be conducted by the former, particularly regarding the Eurasian transport corridor where German companies were perceived to be slighted in favor of Chinese ones (German Federal Government 2016).

While the German Ministry of Foreign Affairs, led by its minister, has regularly dealt with the subject of the BRI in meetings and press releases, the emphasis has been on how Germany could engage with the BRI via existing EU frameworks such as the EU-China Connectivity Project. (Gaspers 2016) As an example, after China and Germany held their fourth bilateral summit in Beijing, they issued a joint declaration that explicitly stated the desire to deepen the "strategic partnership" between the EU and China as a bloc, and not between the individual countries as Poland and Greece have done (German Ministry of Foreign Affairs 2016) All this is a reflection of the German government's desire to approach the BRI as a unified bloc rather than bilaterally. It is therefore unsurprising that the Merkel administration is wary of the 16+1 mechanism between Beijing and several CEE countries, the majority of whom are EU member states.

Conclusions

Several hypotheses emerge from the evaluation of Germany's response to the BRI. Firstly, while there is still a high level of economic engagement between the two coun-

tries via bilateral trade and investment, BRI involvement has been confined to the re-branding of previously announced projects. Secondly, the Merkel government has had very low expectations of the economic benefits that the BRI would bring to Germany, evidenced by the lack of domestic policies vis-à-vis the BRI. Finally, and perhaps most significantly, the German government is a strong advocate of a united EU-level response to the BRI, and is hesitant to engage with it bilaterally, instead propounding the use of existing policy frameworks within Union such as the EU-China connectivity platform and the EEAS to integrate the BRI with the EU's goals and ambitions.

THE NETHERLANDS

Introduction

Prime Minister Mark Rutte of the People's Party for Freedom and Democracy (VVD) headed the Dutch government in a coalition with the Dutch labor party from late 2012 to late 2017, with its second cabinet (Van der Putten 2014). Rutte's party was again re-elected alongside several others as a coalition government in the 2017 Dutch general election. The Rutte administrations have often been seen as both neutral and reluctant in relation to the BRI (Casarini 2015, 9). With regard to its foreign policy, the Dutch government does not consider the BRI to be of significant importance to the Netherlands in the short-run.

Material BRI infrastructure projects

While relatively few BRI infrastructure projects exist in the Netherlands, there have been several significant cases of Chinese investment in existing Dutch infrastructure and transport networks. One such example is Cosco Shipping acquiring a 33% stake in the Euromax deep-sea container terminal in the Port of Rotterdam in 2016, for which Cosco paid €125 million (Lockett 2016, 32; Zhong 2016). Interestingly, despite much attention being focused on China's acquisition of Piraeus, a major Greek shipping port, Cosco's CEO has indicated that Rotterdam's port would continue to be the main hub for Chinese goods entering the EU for the short-to-medium term. Having said that, official BRI documents do not directly mention Cosco's investment with the Port of Rotterdam as a full-fledged BRI project (Rupp 2015). The only explicit reference to the SREB aspect of the BRI is the Chengdu-Tilburg-Rotterdam Express freight railway service, where a Dutch logistics corporation, GVP, operates the Dutch area of the line (Van Der Putten et al. 2016, 41). The frequency of trains—consisting of one locomotive and 41 containers—was increased from once to thrice weekly in 2016, taking approximately 15 days to travel from Chengdu to Rotterdam via Kazakhstan and Russia (Port of Rotterdam 2017). However, this rail link between the countries is considered by scholars to be marginal at

best when compared with the scope of BRI projects in other countries.

Foreign Policy: Divergence with the EU?

There have relatively few signs of Dutch foreign policy engagement with the BRI. According to Lo (2018), neither the Dutch government nor its Ministry of Foreign Affairs have published any official documents or communiques that directly mention the BRI or the Sino-Dutch relationship, other than in an EU context. In an official visit to the Netherlands in 2014, President Xi did not mention the BRI, only mentioning his desire for the Sino-Dutch relationship to be deepened. Additionally, during the BRI forum of May 2017, the Netherlands's delegation was only represented at "official level," it did not send its prime minister or any member of the cabinet (Wong 2017). Like Germany, the Netherlands was not a signatory of the joint communique at the end of the forum that pledged deeper cooperation between China and the other signatories vis-à-vis the BRI (Xinhua 2017).

Overall, the Netherlands has assumed a neutral strategy in relation to the BRI, preferring to adopt a wait-and-see approach based on how the EU and its member states respond to or integrate into the BRI first. Nijbroek (2018) has found that search queries on official Dutch government websites produces a very limited number of documents that allude to the BRI. In one of the documents, the Dutch Minister for Infrastructure and the Environment opined that "the Chinese SREB is still at an initial stage. It is still unclear whether it will yield sustainable economic benefits for either China or Europe. We will await an EU response" (Dutch Ministry of Infrastructure and the Environment 2015, 36).

Conclusions

As this case study has illustrated, the Netherlands's interest and engagement with the BRI is best described as marginal and ambivalent. With regard to foreign policy vis-à-vis the BRI, the Dutch government has not rocked the EU's boat and has instead communicated and acted in accordance with official Union positions. The Dutch response can be summarized in Rutte's words: "I would think we have to approach it as an opportunity, but not be naive..." (Lo 2018). In short, the Dutch case demonstrates that the BRI has not perceptibly affected vertical coherence between the Union and this member state.

SECTION CONCLUSIONS

This section has demonstrated that amongst the EU's member states, there have been three different levels of engagement vis-à-vis the BRI. While Germany is wary of the effects that the BRI may have on the Union's vertical coherence and is an advocate

of Union-level engagement, the Dutch approach is best described as a neutral one, preferring to adopt Union positions. Meanwhile, the Greek and Hungarian approach to the BRI has been a predominantly bilateral one, and they have been perceptibly welcoming to BRI- projects and investment. More importantly, while the BRI has not affected vertical coherence between the EU and Germany as well as the Netherlands, it has been reduced between Hungary, Greece and the Union.

SECTION FOUR: UNION-LEVEL RESPONSE TO THE BRI

INTRODUCTION

This section will examine the extent to which the BRI has affected horizontal and institutional coherence by examining the extent to which the EU has engaged with the BRI and whether it has presented itself as a united front in this respect. To do this, I will first look at the EU-China Connectivity Platform (EUCCP)—created with the intention to integrate the BRI with Union-wide infrastructure initiatives such as the Trans-European Transport Network (TEN-T) (EC 2017c). The second segment of this section will provide an overview of other proposals or communications from the EU's institutions that deal with the BRI. Finally, the findings from this section will be analyzed in section five.

THE EU–CHINA CONNECTIVITY PLATFORM: MEAGER OR ROBUST RESPONSE?

The Platform, formed in 2016, can be best identified as the Union's principal response to the BRI. One of its key goals was to hold annual summits between and Chinese and European diplomats. They have met in 2016 and 2017 and will persist in doing so, according to the communique of the 2017 meeting. The Union has coordinated and structured the arrangements of the Platform via its Commissioner for Mobility and Transport, who oversees the Commission's Directorate-General for Mobility and Transport (EC 2016). Meanwhile the Chinese delegation was headed by the Vice-Chairman of the National Development and Reform Commission. The Platform focuses on three key fundamentals: firstly, around the policy coordination and physical integration of transport infrastructure between China and the EU. Secondly, the preparation and promotion of environmentally sustainable connectivity provisions, and finally, the establishment of values and principles that are of concern to the EU, i.e. transparency, sustainability, trustworthiness, and a level- playing field for all parties involved (EEAS 2017). I shall pay particular attention to the first and third principles as they have been developed into explicit policy recommendations.

In relation to the policy coordination and integration aspect of the Platform, it essentially claims to connect China's BRI ambitions with the TEN-T. The aim here is to "close the gaps between Member States' transport networks, remove bottlenecks that still hamper the smooth functioning of the internal market and overcome technical barriers such as incompatible standards for railway traffic" (EC 2014, 166–167). For the TEN-T, the EC has highlighted certain 'core network corridors' that it views as the 'infrastructural backbone' of the Union. Inside this core network, the EC in-

tends to better coordinate the transport infrastructure between various member states. Amongst the corridors that the EC has shortlisted are the ‘Motorways of the Sea’ corridor in which countries with inland bodies of water are included, as well as the North Sea-Mediterranean corridor, and finally the Scandinavian-Mediterranean corridor. Within the Platform, the EC has proposed the integration of several TEN-T projects with the BRI. Nijbroek’s (2018) analysis of the minutes from several Platform meetings indicate that these projects were shortlisted because the financial agreements of these projects had not been finalized (EC 2016; 2017b). The EU’s proposed integration of some of these infrastructure projects with the BRI can be best described as modest. Firstly, it has yet to be seen if China will accede to the EU’s request for funding into these projects. Secondly, the vast majority (17 out of 19) of these projects take place in the “16+1 countries”, which implies that the EU is merely trying to contain and integrate Chinese investment in CEE rather than coming up with a coherent and Union-wide response to the BRI. Lastly, the projects that the Connectivity Platform have been trying to integrate with the BRI are of a comparatively low value and can be viewed as marginal when compared to other BRI projects such as the Belgrade-Budapest railway line. This raises questions on whether the EU chose not to integrate the BRI’s largest projects or if it was simply unable to.

Another aspect of the Union’s input to the Connectivity Platform stresses the importance of transparency rules, competition policy, fair public procurement, open tendering for infrastructure projects, as well as minimum sustainability and quality standards for all future transport projects. The Union submitted a position paper during the 2017 BRI forum that was distributed to all attending delegates, highlighting the need for the BRI’s projects to be complementary to EU aims and policies, as well as meeting minimum international regulations and standards (EEAS 2017). That paper also stressed that future BRI projects should be “technically interoperable,” which would “reduce borders” instead of creating new ones. Finally, the EU reiterated the need for future BRI projects to be based on transparent public tenders so EU companies could fairly participate in the bidding process—this was seen as a thinly veiled reference to the Budapest-Belgrade railway project (Brattberg and Soula 2018). Notably, these positions are consistent with those that the Union has presented in other conferences and summits where it has mentioned the BRI (EC 2017a; 2017b).

OTHER EU PROPOSALS THAT REFERENCE THE BRI

Apart from the Connectivity Platform, there is little evidence to suggest that the Union, at the time of writing, has a clear strategy on how to cooperate with China vis-à-vis BRI. Recognizing this, the EC and the High Representative (HR/VP) in June 2016 jointly presented a proposal to the European Parliament and the Council titled “Elements for a new EU strategy on China.” The EC, in this report, suggests that “the EU needs its own strategy, one which puts its own interests at the forefront in the new relationship” (EC High Representative of the Union for Foreign Affairs and Security Policy 2016, 2).

There are few key points that the Commission highlights in its proposal that directly relate to the BRI. Firstly, the EC and HR/VP support the maintenance of the Connectivity Platform as the primary vehicle for communication and cooperation between China and the EU in relation to the BRI. It goes on to argue that future EU-BRI policy should stress the importance of a “rules-based international order” and “good governance”; the importance of these have already been communicated via the Connectivity Platform and almost seems like little more than the reiteration of an existing *modus operandi*. Another notable section of this report stresses the need for a “whole-of-EU” stance in dealing with the BRI, one that harmonizes the respective actions of the Union’s institutions such as the EC and the EEAS (2016, 17–18). Additionally, it emphasizes the need for the Union’s member states to “reinforce agreed EU positions in their bilateral relations with China” and that the EC should ensure that “member states are made aware when EU interests need to be safeguarded.” Finally, it adds that, with regard to the BRI, “EU coherence and cohesiveness is vital...on the maintenance of the rules-based international order” (2016, 17–18).

I would argue that the “Elements for a new EU strategy on China” report (EC 2016) has correctly identified the underlying motivations of the BRI, and thus the need for a coherent and united strategy that involves EU institutions as well as member states. However, it is apparent that while this proposal has accurately identified what needs to be done, it has not suggested how the EU—at state or supranational level—should ensure that a united and cohesive approach is in place when interacting with the BRI. As Rolland (2017) has noted, it is entirely plausible that the EU has been unable to formulate a coherent response to the BRI simply because it has never faced a scenario of this nature and magnitude before. If this were to be the case (I would argue that any definitive conclusion is premature at this stage), it reinforces the hypothesis that the BRI has caused a degree of horizontal and institutional incoherence between and within the Union’s supranational institutions.

Finally, it should be noted that while there has been visible discontent by senior EU leaders on the effect that the BRI has had on the bloc, this discontent has not been matched with an appropriate strategy. In a March 2019 paper, the EC branded China as a “systemic rival” and called on China to stop its ‘unfair’ BRI investment practices in the bloc (Peel and Brunnsden 2019). The paper concluded by advocating a “more balanced and reciprocal economic relationship” between the two powers. However, like the rest of the EU strategy on the BRI, it accurately identifies the potential threat that the BRI has on the Union but does not suggest how the bloc should respond. This suggests that a lack of horizontal and/or institutional coherence has prevented the EU from developing a timely and comprehensive response to the BRI. Whether this inability to respond is unique to the Union’s dealings with the BRI, only time will tell.

SECTION CONCLUSIONS

In summary, the Union’s position towards the BRI can be perceived as one that promotes openness, fairness, and good governance, particularly in relation to the tendering of contracts and the financing of projects. However, the Union’s position with

regard to the BRI is not dissimilar to its general stance towards other foreign trade and investment (Rolland 2017). This lack of a BRI-specific response, despite the increasing distrust and discontent from EU leaders towards the BRI suggests that a lack of horizontal and institutional coherence has prevented the Union's institutions from producing a Union-wide strategy to integrate the BRI. As Beattie (2019) has opined: "The [European] Commission is talking a robust game, but its means of engaging China [is]...slow, fragile and subject to internal divisions."

SECTION FIVE: ANALYSIS AND IMPLICATIONS ON EXTERNAL COHERENCE

This section will offer a more analytical interpretation of the findings that sections three and four have presented, and evaluate whether the BRI has reduced any of the three strands of EU coherence detailed in section two, which will consequently reveal whether the Union's external coherence has been affected. With its separate country sections, section three has found three different levels of member-state engagement vis-à-vis the BRI. The segments on Hungary and Greece illustrate how access to Chinese capital and warm bilateral ties appear to go hand in hand. While close bilateral ties in themselves do not affect vertical (and thus external) coherence, there is an observable link between Chinese investment and the diverging foreign policies of Hungary and Greece from the EU.

Notably, the findings from the case studies in section three are extrapolatable to other member states within the EU. This is consistent with the hypotheses presented by some scholars such as Rolland (2017) and Holslag (2017)—that some EU countries (Greece and Hungary, but also Poland, Czechia, and Italy) in the CEE and Southern regions are more welcoming towards BRI investment and infrastructure projects than the rest of the EU is. They view close ties with China as a means for procuring necessary investments to stimulate their economies; Beijing in return, expects some form of political commitment or support (Fallon 2016; Kynge and Peel 2017). Disagreements between these member states and the EU have risen as a result of this. As an example, an attempt by Germany and France to strengthen the Union's investment screening capability compelled—according to a Western European trade official—certain member states to threaten that "if the plan went through...they would have to be compensated financially for the loss of investment...some explicitly mentioned China" (Cerulus and Hanke 2017).

As section two has established, for the EU to be vertically coherent the foreign policy positions of member states must be aligned with one another, and more importantly, with the Union (Gebhard 2017). The cases in section three demonstrate that there is: firstly, a distinct lack of vertical coherence between the member states with regard to the BRI, with three levels of BRI engagement identified. Secondly, and more crucially, section three demonstrates that the BRI has exacerbated vertical incoherence between the Union and countries such as Hungary and Greece. The present evidence suggests that the relationship between BRI investment and the alignment of several EU countries with Beijing's political interests is becoming an increasingly

positive one. The resultant reduction of external coherence was perceptible in various instances, such as when the Union was forced to rephrase its statement on the South China Sea dispute, when its inwards investment screening proposal was obstructed, and when it could not issue a statement at a UNHRC conference for the first time. I would argue that instead of speaking with a “single voice” (a key aspect of external coherence), it had to speak with “multiple voices” on several occasions—with Greece and Hungary (among other countries) assuming different positions—and with “no voice” in the UNHRC instance.

Meanwhile, section four analyzed the degree to which the BRI has affected the Union’s horizontal and institutional coherence via an analysis of the actions of its supranational institutions. The findings of this section are less explicit than those in section three as the Union, at the time of writing, does not have a “whole-of-EU” BRI-specific strategy, making it more challenging to determine if there is an inherent lack of coherence on the EU’s part or if the BRI caused or exacerbated it. The Union presently relies on the vague and imprecisely formulated Connectivity Platform to deal with the BRI as a subset of the Union’s broader China strategy. I would argue that this lack of an EU- encompassing strategy towards the BRI four years after one of its member states first signed up for the initiative is telling in itself. It implies that either the BRI has caused an unprecedented level of horizontal/institutional incoherence, or that the EU is unable to formulate a cohesive foreign policy response to an increasingly significant investment drive within its borders. As Gebhard (2017) has argued, a criterion for horizontal and institutional coherence is the coordination of aims between the Union’s different institutions, thus strengthening the capabilities of the Union’s policy processes. This also means that an integral and cohesive strategy should be aimed within and between the Union’s different institutions.

This lack of an EU-wide strategy is attributable to China’s bilateral approach with the BRI, making it difficult for the EU to deal with the BRI from a Union level. This bilateralism fits in with the “divide and conquer” and “pay for play” narrative that some scholars (Benner et al. 2018, 7; Meunier 2014, 998) have claimed China is using in its approach to the EU. In this sense, at least, it is clear that the BRI has reduced horizontal/institutional coherence; as Robert Cooper, a former EU foreign policy adviser, has opined: “China has discovered it can pick off different EU members and stop the EU having a China policy...” (Peel et al. 2017). It is worth reiterating Gebhard’s (2017, 131) proposition that the various strands of coherences are “mutually reinforcing”—in this instance it is likely to be quite the opposite of “reinforcing”: the present evidence suggests that the reduction in vertical coherence has had an adverse impact on horizontal and/or institutional coherence. A consequence of this is the difficulty that the Union has encountered in its attempts to coordinate a single foreign policy towards Beijing. Many countries within the Union are adopting a pro-China stance and are obstructing any policy/position that is deemed to be antagonistic towards China or the BRI. This is a clear indication that the BRI has reduced the EU’s ability to “speak with one voice” and demonstrate that it operates as a “functional and re-

sponsive partner”, both of which are key facets of external coherence.

For some scholars such as Zeng (2017) and Cameron (2017), the BRI does not have enough significant investments nor a sufficiently cogent blueprint to warrant a coherent or comprehensive EU strategy. I will challenge this argument for two key reasons: firstly, while the BRI’s investments in absolute terms may be small when viewed in comparison to the EU economy, they have been increasing significantly on a year-by-year basis—from 2008 to 2016, there has been a 45% increase in Chinese investment activity in Europe (BBC News 2019). Secondly, if this supposedly “insignificant” investment has already been able to cause vertical (and external) incoherence, such as in the cases of Hungary and Greece rejecting several EU foreign policy positions, what will the effects be when BRI investments increase? After all, the BRI has managed to court its first EU founding-member, Italy. Furthermore, if the Union has been unable to develop a united and comprehensive plan on the BRI despite being in opposition of it, it suggests that the BRI, even in its (relatively) early stages has both shown and exacerbated horizontal and/or institutional incoherence.

SECTION SIX: CONCLUSIONS AND AREAS FOR FURTHER RESEARCH

The various sections in this dissertation have contributed to answering the research question posed in section one: “To what extent has China’s Belt and Road Initiative reduced EU coherence?” Section two set the framework for analyzing the research problem via EU coherence theory and highlighted the role of external coherence in the Union’s effectiveness in dealing with other global actors. Section three presented the different ways and varying levels at which individual member states engage with the BRI, while section four evaluated the ways in which the EU itself has responded to the BRI. Finally, section five scrutinized the evidence presented in sections three and four in determining the extent to which the BRI has affected EU coherence.

Notably, this paper has not attempted to determine the degree of incoherence prior to the BRI’s involvement in the region. I therefore encourage other scholars to explore this aspect more as there is a shortage of literature that deals with this issue at present. This would help to determine a more precise degree of incoherence resulting from the BRI. Similarly, a study that compares the BRI with other external circumstances (such as the refugee crisis) that require a Union-wide response, would be useful as it would help establish whether the BRI is an anomaly in reducing EU coherence. Other research worth considering would be a longitudinal study on the BRI’s effects on EU countries and institutions from both a short and long-term view: it is possible that the BRI’s effect on coherence is more apparent in the long-term or vice versa. Lastly, it will be interesting to study the effect of BRI investments in ascension states like Serbia and Montenegro, and whether EU coherence will be affected when these states eventually become full members. These cases and methods have not been utilized in this paper owing to its brevity and scope, as well as the contemporaneousness of the BRI, which continues to evolve at the time of writing.

Nevertheless, several conclusions can be drawn. Firstly, despite the BRI’s mar-

ginal (but increasing) presence in the Union, it is already apparent that it has reduced vertical coherence between the EU and several member states, amongst them, Hungary and Greece. I have also demonstrated that member-states who have a greater prospect of benefitting economically from the BRI will be unlikely to advocate for a cohesive EU response. Instead, they are more likely to break ranks with the EU in matters of foreign policy concerning China. Secondly, while the evidence on whether the BRI has significantly reduced horizontal/institutional coherence is inadequate to make a definitive assertion, the preliminary indications point to a reduction to either or both coherences. This is illustrated by the lack of a comprehensive response by the Union's institutions, despite increasing wariness of the BRI. Finally, I wrote in section two that this paper would arrive at one of three possible hypotheses: the BRI could leave EU external coherence either reduced, increased or unchanged. At present, the evidence markedly points towards the first. Beijing's investments into the EU have translated to diplomatic dividends for it, at the expense of EU external coherence. An EC report (2019, 2) summarizes it succinctly: "Neither the EU nor its member states can effectively achieve their aims with China with full unity."

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