THE NON-STRATEGIC PARTNERSHIP
BELARUS-CHINA RELATIONS

Jakub Jakóbowski, Kamil Kłysiński
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MAIN POINTS

• Relations between China and Belarus have been developing intensively over the past decade. This process has been fuelled by Beijing’s growing global ambitions as well as Minsk’s efforts to modernise the Belarusian economy and to partially reduce its dependence on Moscow. Increasing pressure from Russia and its inability to build closer relations with the West (which was mainly an effect of violations of human rights and the rule of law) prompted the Belarusian regime to seek alternative partners outside Europe. The aim was to increase its room for manoeuvre in foreign policy, as well as to gain additional sources of capital and new markets. Given China’s great economic potential and its interest in developing cooperation, Belarus mainly focused on China at the beginning of the 21st century, calling it a ‘close ally’. The cooperation gained momentum in the early 2010s, when China adopted a more proactive global policy after Xi Jinping had risen to power.

• Beijing decided to use Minsk’s great openness to cooperation and turned Belarus into an important laboratory for the Belt and Road Initiative, which was presented as one of the greatest successes of Xi Jinping’s flagship project. According to Xi’s vision, Belarus was to become a Chinese manufacturing hub within the Eurasian Economic Union (EAEU), as well as a key transit country for the rapidly developing China-EU rail transport. China presented Belarus with an exceptionally extensive economic offer, including the Great Stone industrial park near Minsk and several credit lines. The intention of the President of the Republic of Belarus, Alyaksandr Lukashenka, was to use them to modernise outdated domestic industry, develop modern branches of the economy, and implement infrastructure projects that Minsk could not have financed on its own. It was also hoped that China’s growing economic commitment would be followed by its political support for Belarus, as the latter was becoming increasingly dependent on Russia.

• However, the two sides had quite different expectations as to the principles of their cooperation. In turn, the extremely ambitious visions were not filled with real content. The market-oriented investments that were highly prioritised by Beijing encountered a number of barriers, including limited access to the Russian market within the EAEU, and the ineffective administration and low economic potential of Belarus. As a result, China’s share in Belarus’s foreign investments has not exceeded 3%, and the Great Stone has remained at the initial stage of development since its inauguration in 2012. Chinese capital has come mainly in the form of governmental
export loans for infrastructure projects and the construction of factories that have been implemented using Chinese labour, technologies and components. Consequently, most of the benefits of this type of cooperation are transferred back to China. Belarus is clearly disappointed with this model of cooperation, which China has tailored to suit the needs of developing countries with a low level of industrialisation. The unattractive offer of Chinese technologies, the unsatisfactory quality of these technologies and numerous delays pushed Lukashenka in 2017 to impose an informal moratorium on taking more export loans from China.

- As yet, the effects of economic cooperation have not brought any major change in Belarus’s strategic position in relations with Russia and the EU. The development of relations with China has not led to a structural transformation of the Belarusian economy. Instead, its trade deficit and foreign debt have increased. At present trade in goods with China does not exceed 6% of total Belarusian trade. Meanwhile, debts owed to Chinese banks have reached approximately US$3.3 billion, which accounts for approximately 20% of foreign public debt, and exacerbates the macroeconomic problems. In December 2019, Beijing granted the Belarusian government a direct loan of US$500 million. This proves that Minsk has a special status in China’s policy. However, China is visibly reluctant to subsidise the stagnant Belarusian economy and is not ready to actively participate in reforming it. The development of China-EU rail transport is an important trigger for cooperation, although Belarus’s current transit position does not seem to visibly stimulate its development.

- As Beijing’s presence in Eastern Europe is growing, it is trying to act cautiously and within the informal limits set by Russia. This is due to China’s unwillingness to confront Russia, which it views as an important global partner, primarily in the context of its rivalry with the US. China chose Belarus as the main regional partner in the Belt and Road Initiative in order to accommodate Russian pressure to exclude Ukraine from the Chinese initiative. Despite its growing global aspirations, China has no ambitions of a strategic presence in Eastern Europe that would justify sacrificing its own resources for the sake of strengthening its partners. Limited political involvement in Belarus indicates that Beijing views the region primarily as a field of economic expansion. As a result, along with the growing disappointment with cooperation with Minsk, the Chinese administration and experts are again showing increasing interest in Ukraine, which is considered a much more attractive economic partner.
INTRODUCTION

The analysis of Belarusian-Chinese relations is essential for understanding Beijing’s policy in Europe and, more broadly, in Eurasia as a whole. Belarus has undoubtedly developed the deepest financial, production and political relations with China among all the countries in the region. The case of Belarus sheds light on several fundamental issues, such as Beijing’s attitude to Russian policy in Eastern Europe, as well as its economic and strategic motivations there. According to Chinese experts, Belarus is a partner comparable to Pakistan (one of the largest recipients of Chinese loans whose economic policy is strongly coordinated with that of China). Therefore, cooperation with Belarus also provides an opportunity for a broader assessment of the Chinese vision of economic integration as part of the Belt and Road Initiative. The development of relations with Beijing is also the most important element of Minsk’s extra-European policy, which has an impact on Lukashenka’s strategy of manoeuvring between Moscow and the European Union.

This report is an attempt to synthesise the complex Belarusian-Chinese relations, summarising the strategic, political and economic aspects of relations between the two countries. Despite the growing Chinese involvement in Belarus in the last decade, few attempts have been made to comprehensively elaborate this issue not only in the English-language debate but also among Belarusian and Chinese experts. Therefore, the authors of this paper had to rely primarily on the analysis of Chinese and Belarusian primary data, and to a lesser extent on the handful of publications discussing these issues only fragmentarily. The conclusions from dozens of interviews conducted as part of study trips in 2015–2019, including to Minsk, Beijing and the Great Stone Industrial Park, were used during work on this text.

It is difficult to assess Chinese capital involvement in Belarus due to incomplete official statistics and the politicisation of data. A list of all infrastructural and industrial projects financed by China in the Belarus has been prepared on the basis of open sources, specifying their value and level of advancement, in order to estimate the real scale of this involvement. Additionally, a list of credit lines made available to Belarus as part of the Chinese financial offer is presented. These data can be found in the appendix of this publication.

I. THE POLITICAL DIMENSION OF COOPERATION

1. China as a priority in Minsk’s non-European foreign strategy

Due to Belarus’s heavy dependence on Russia and the existing limitations in its cooperation with the West, relations with non-European countries have become very important for Minsk. President Lukashenka’s attention is focused on authoritarian partners, for whom violating democratic standards is not a political obstacle for cooperation. Developing relations with them is all the more valuable as these countries often support a multi-polar world order and share the Belarusian diplomacy’s scepticism about America’s global influence. Hence, at the turn of the 20th and 21st centuries, the Belarusian Ministry of Foreign Affairs formulated a thesis claiming that it was necessary to build “a great external arc in foreign policy” which has become a permanent element of the national diplomatic strategy. China is among the main addressees of this ‘global’ policy adopted by Minsk. The Belarusian diplomacy defines Beijing as a ‘strategic partner’. On top of that, euphoric declarations about “iron brotherhood and eternal friendship” can be heard in Lukashenka’s speeches.

In its policy towards China, Belarus is in fact seeking both economic and political benefits. As regards economic benefits, Belarus hopes to attract Chinese investments along with the technologies necessary to modernise its outdated industrial structure. It has also sought financial support, including stabilisation loans, an alternative to the programmes offered by Russia and the IMF. It has also made efforts to expand its access to the huge Chinese market where it wants to sell food, trucks and agricultural machinery (among other goods). If Minsk’s ambitious plans regarding the development of economic cooperation prove successful, its economic and political dependence on Moscow could be balanced, at least in part. Over the past few years, Belarus has also pinned high hopes on its participation in the Chinese logistics and transport project known as the Belt and Road Initiative, hoping to capitalise on its strategic location on the transit corridors between Asia and Europe.

3 The description of Belarus’s activity on the global arena that can be found on the website of the Belarusian Ministry of Foreign Affairs states that enhancing “strategic partnership with China [is] a key direction of the Belarusian foreign policy in Asia”. See ‘Belarus and countries of Asia, Australia and Oceania’, www.mfa.gov.by.
4 See ‘Лукашенко охарактеризовал отношения с Китаем терминами «всепогодная дружба» и «железные братья’”, Tut.by, 1 August 2017, news.tut.by.
As regards the political benefits, Belarus aspires to the status of close partner to China, one which it trusts. Belarus may therefore count on China’s support on the international arena, including at the UN forum. In practice, this means that it expects support in protecting its interests, including in its difficult relations with Russia. However, this expectation has never been presented in public. This ambitious agenda has resulted in a large number of visits at the highest level (President Lukashenka visited China as many as 12 times in 1995–2019) and various types of bilateral meetings. The Presidential Decree of 2015 On the Development of Bilateral Relations between the Republic of Belarus and the People’s Republic of China signified that this cooperation was a matter of high priority for Belarus. The bilateral agreement on friendship and cooperation signed in 2015 was an important addition to this decree. These documents served as the basis for China and Belarus to recognise their mutual relations as a strategic partnership in a joint declaration signed in autumn in 2016. Minsk has eagerly used this to emphasise the special status which Belarus holds in China’s foreign policy.

The outbreak of the COVID-19 pandemic in China in early 2020 prompted the Belarusian government to offer humanitarian aid to China as early as in late January, which was also used as an opportunity to demonstrate that their bilateral relations were cooperation between two friendly nations, almost allies. A few months later, after the virus had reached Belarus, Lukashenka repeatedly emphasised the importance of Chinese support – in the form of both material aid and advice. Beijing’s actions fit in with a broader trend of granting non-returnable development aid to this Belarus (including for the construction of public utility facilities). It is estimated that US$125 million annually has been offered since 2015. The latest project implemented as part of this programme is the construction of a modern stadium and swimming pool in Minsk, begun in June 2020.

In response to the mass public protests in Belarus in 2020, triggered by the outcome of the presidential election, Beijing officially backed the Lukashenka

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6 ‘О политических отношениях Беларуси и Китая’, information from the Belarusian Embassy in Beijing, china.mfa.gov.by.

7 Ibid.


regime but did not offer real political or economic support. Shortly after the election, on 10 August, Xi Jinping acknowledged Lukashenka’s victory in a telephone conversation, and the spokesman for the Chinese Ministry of Foreign Affairs expressed his support for the Belarusian government to “bring back internal order”. It was also suggested that ‘foreign forces’ had allegedly staged the protests. The Chinese national media addressed to a foreign audience presented the demonstrations as a hostile Western action aimed at destabilising Belarus, and even as an initiative indirectly aimed at provoking protests in Russia. The Chinese media expressed clear support for a possible Russian intervention in Belarus and presented Russia as Belarus’s most important partner. The Chinese-language media generally did not report on the protests (only brief reports on rallies of support for Lukashenka were published).

2. ‘Our Pakistan in Europe’ – Belarus as a laboratory of the Belt and Road Initiative

Beijing’s policy towards Minsk is primarily defined by Belarus’s participation in the Belt and Road Initiative, the flagship international project of China’s leader, Xi Jinping. This initiative, announced in 2013, was initially a general vision for the development of relations with Eurasia. However, it has evolved significantly, and now organises a large part of China’s foreign policy. It is aimed at building lasting political and economic ties between China and the rest of the world (mainly developing countries), contributing to the development of the Sinocentric model of globalisation. Xi Jinping was involved in building economic ties with Belarus before he took the office of General Secretary of the Communist Party of China and has continued this task as the leader of the People’s Republic of China. He visited Minsk twice: in 2010 and 2015.

Belarus has become important for the Belt and Road Initiative, primarily as a laboratory for testing new tools of economic cooperation. Lukashenka’s regime has joined a narrow group of partners showing the greatest openness to the new model of cooperation. Pakistan is developing cooperation with China on a similar scale, followed by Serbia, Kazakhstan and Ethiopia (and other countries). Belarus, which was branded by Chinese experts as ‘our Pakistan

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11 Xi Jinping, already as a member of the Standing Committee of the Politburo, was put in charge of developing relations with Belarus after 2008. In 2010, he visited Minsk, where he signed several agreements, including those concerning loans and the Great Stone Industrial Park.
in Europe’, was expected to play the role of China’s European testing ground and a bridgehead for its economic expansion in the EAEU. The intensive contacts in 2013–2015 culminated in the visit of Xi Jinping in 2015, at the time of which a number of economic agreements were signed. The Chinese vision focused on the Great Stone China-Belarus Industrial Park located near Minsk, as well as infrastructure development based on loans from Beijing. Belarus has also been included in the so-called industrial capacity cooperation programmes as part of which governmental support is offered for the relocation of production from China.

Relations with Minsk as part of the Belt and Road Initiative are also an important propaganda tool for Beijing. In the official Chinese narrative, China-Belarus cooperation is presented as a success, regardless of the real results. Lukashenka’s political involvement, including at the biennial Belt and Road Forum in Beijing, made it possible to present Belarus as a model example of this initiative’s success, something Xi Jinping needs to present to the public both at home and abroad.

Since 2013, Belarus has been gradually gaining significance as a transit country in China–EU rail connections. Its advantages include its geographical location and membership of the EAEU (which reduces the number of customs clearances). Transport services connecting the central and western provinces of China with the European Union is a market segment that has grown rapidly in recent years, mainly due to Chinese subsidies. Currently, goods transported via this route account for 5% of the total value of China-EU trade. In 2019, it was used by around 8,200 freight trains. In the current structure of transports, almost all trains reaching the EU pass through the territory of the Republic of Belarus. However, this does not offer any major systemic benefits to the country’s economy.  

12 According to Chinese experts and diplomats, Pakistan is one of Beijing’s most important partners in the Belt and Road Initiative. Sino-Pakistani cooperation is being developed as part of the so-called China-Pakistan Economic Corridor (CPEC). This cooperation envisages a profound transformation of the Pakistani economy with the use of Chinese capital and technology, as well as the coordination of the economic policy of both countries. The quote about Belarus originates from talks with Chinese experts in Beijing in 2017 and 2018.

13 No detailed data on revenue generated by container transport services offered to Chinese customers can be found in the annual financial statements published by Belarusian Railways. They only contain information about the total value of rail transit, which in 2019 reached US$630 million. Based on data concerning the quantities of goods transported from and to China, approximately US$300 million could have been linked to Chinese transit. Belarus, however, does not function as a hub (including storage, distribution, further intermodal transport), so the added value for the entire economy and the budget is relatively low. In turn, the entire transport sector generates 6% of the country’s GDP. See Годовой отчет 2019, БЖД, Минск 2019, www.rw.by.
Maintaining stable transit through Belarus is in China’s economic interest, as EU-China rail freight became a vital part of many global value chains. Rail connections are also an important propaganda instrument of Beijing, as they are a popular symbol of the Belt and Road Initiative promoted by the media. Therefore, they provide an additional strong stimulus for the development of China’s relations with Belarus. However, the value of goods shipped by rail account for only 2% of the volume (measured by weight) of China’s trade with Europe. Considering the existing technological limitations, transport through Eastern Europe is not a strategic alternative to maritime trade for China. Therefore, Beijing does not view it as a sector of fundamental importance that would encourage it to subsidise the Belarusian economy or to stand up for Minsk in a possible conflict with Moscow.\(^\text{14}\)

3. China’s bridgehead right under Moscow’s nose?

Belarus has been chosen as China’s main economic bridgehead in the region due to political factors, including Beijing’s response to Moscow’s expectations. From China’s perspective, Belarus has neither the best geopolitical location (having no access to the sea), nor large economic potential or natural resources. Beijing used to view Ukraine as a country of top priority in this region, as the country is an important exporter of food to China and has a strategic location in terms of Europe-Asia transport.\(^\text{15}\) This entailed intense economic cooperation when President Viktor Yanukovych was the president of Ukraine. Large areas of Ukrainian land were leased to China (initial contracts covered an area of 100,000 hectares) and plans were made to build a deep-sea port in Sevastopol, Crimea as part of this cooperation.\(^\text{16}\)

The fall of Yanukovych, followed by Russian aggression in 2014, resulted in the *de facto* freezing of top-level relations between China and Ukraine, so Beijing became focused on Minsk. In addition, after 2014, Moscow took a number of steps to exclude Kyiv from the Belt and Road Initiative, for example, by blocking China-EU rail transport running via Ukraine.\(^\text{17}\) The freezing of relations

\(^{14}\) Furthermore, considering the present model of the transport market, it is impossible to continue large-scale rail transport services without cooperation with Russia.

\(^{15}\) The shortest railway connecting China and Europe runs via Ukraine (including Donbas). Ukraine also has access to the Black Sea, which is vital for Eurasian trade.


\(^{17}\) In 2019, China began testing connections via Ukraine again as a potential alternative for transit via Belarus. However, these transport services are provided by the Russian company TransContainer.
between the most senior Ukrainian and Chinese officials along with Ukraine’s exclusion from many international sectoral initiatives of the Belt and Road Initiative (including the development of the most important transport corridors) should also be linked to Moscow’s efforts. Furthermore, Ukraine became less appealing to China as a transit country and as a Chinese manufacturing hub for goods to be sold to the EAEU market due to the political conflict with Russia and its refusal to join the EAEU. As a result, after 2014, economic cooperation focused mainly on increasing Ukrainian grain exports to China, while Ukraine’s participation in the Belt and Road Initiative, despite its intensive efforts, was reduced to a minimum (in the areas of politics, finance, infrastructure, transport and investments).

Belarus was also chosen as the key cooperation partner due to China’s disapproval of the political effects of the Ukrainian Revolution of Dignity, which Beijing, like Moscow, perceives as a coup staged by the West. Given this situation, China views Lukashenka’s authoritarian regime as a partner who is less economically attractive, but is more stable politically and shares an authoritarian ideology.

The Kremlin has not yet taken an official position on Chinese activity in Belarus, and no clear statements have been heard from Russian government representatives regarding this issue. However, it can be presumed that, although China’s activities in Belarus may be somewhat irritating to Moscow, they are still conducted within limits acceptable to Russia. This certainly applies to at least a section of Sino-Belarusian sectoral cooperation, especially rail transport, which naturally requires the active participation of Russian railways. It is also worth noting that the lower intensity of China’s relations with Ukraine after 2014 – affecting both political contacts and Ukraine’s participation in the Belt and Road Initiative – proves that Beijing respects the Russian sphere of influence in the former Soviet republics in Eastern Europe. Moreover, given the rapid enhancement of Sino-Russian relations, fuelled by both countries’

18 After 2014, political contacts were mainly limited to bilateral contacts on the level of deputy prime ministers (as part of the China-Ukraine Intergovernmental Commission established in 2011). In 2017, Kyiv was visited by the Deputy Prime Minister for Economic Affairs, Ma Kai. In turn, Stepan Kubiv, serving as the First Deputy Prime Minister of Ukraine and the Minister of Trade, came to Beijing in 2018. In some cases, such as the Chinese attempts to purchase the Ukrainian motor production plant, Motor Sich, cooperation has also been blocked by the USA, cf. P. Żochowski, A. Wilk, J. Jakóbowski, ‘Chiny czy USA: ukraińskie dylematy wokół przyszłości Motor Siczy’, OSW, 4 September 2019, www.osw.waw.pl.
conflict with Washington, China is also avoiding an open confrontation with Russia. And this confrontation could easily be triggered if Beijing visibly stood up for the Lukashenka regime against the Kremlin. It is also very unlikely that Beijing would risk straining relations in Russia over Belarus, considering that even in the case of Central Asia (which is much more strategically important for Beijing) it has been maintaining a stable *modus vivendi* with Moscow for years, without openly challenging the Russian political and security stance in this region.
II. THE ATTEMPTS TO REAP ECONOMIC BENEFITS

1. The unsuccessful Great Stone experiment

The last few years of intensive Sino-Belarusian cooperation have revealed the structural mismatch between the Belarusian economic system and the vision that Beijing originally wanted to implement. One example is the Great Stone economic zone located on the outskirts of Minsk, which as of 2021 appears to have been a largely unsuccessful experiment. Its development was expected to turn Belarus into a Chinese production centre within the EAEU. The progress in the zone’s development and the share of Chinese investors in it are still much lower than the original assumptions.

Thus, China is not overly eager to invest its own capital in Belarus. Instead, it has focused on offering loans. This model shifts most of the risk to Minsk. Therefore, the strategic importance of Belarus for China has not grown significantly – it is treated, like many other developing countries, as an outlet for Chinese products and technologies. Beijing is clearly reluctant to both subsidise the outdated Belarusian economy and to participate more widely in reforming it.

The China-Belarus Great Stone Industrial Park

The Great Stone is a joint China-Belarus special economic zone project. The industrial park is located approximately 25 km from Minsk, near the Minsk-2 international airport. In terms of area, it is the largest of over 80 facilities of this type created by China.²¹ Officially, its area is 112.5 km². However, according to Chinese sources, it is only possible to develop about 50 km² within this area. 2012 can be regarded as the launch date of this project because the entity managing the park was established and the first offers from investors were received at that time.

The project is managed by the Industrial Park Development Company, a joint venture with 68% of the shares owned by Chinese state-owned companies (Sinomach, China Merchants Group, China CAMC Engineering and Harbin Investment Group), 31.33% by the Belarusian state-owned entity Great Stone Industrial Park Administration, and the remaining

0.67% by Germany’s Duisburger Hafen AG (the manager of a large inter-modal hub controlled by the government of North Rhine-Westphalia). The development of the park is supervised by a China-Belarus intergovernmental working group. The Great Stone’s management structure is modelled on the analogous China-Singapore Suzhou Industrial Park.

In the process of the park’s establishment, China managed to negotiate unprecedented concessions, including tax exemptions (from income tax for ten years from the moment of reporting profits, from real estate and land tax until 2062, from export duties to the EAEU and the EU), a VAT rebate on products originating from the park, income tax and social insurance reductions, etc. Pursuant to the zone’s regulations, the entities operating within it must invest at least US$5 million and operate in one of the priority industries: machine-building, electronics, chemicals, pharmaceuticals, biotechnology, new materials, intermodal transport, e-commerce, big data, and research and development.

The construction cost of the park’s infrastructure has reached US$188 million so far. It is estimated that the ultimate cost will be approximately US$5–6 billion.22 Officially, the zone development plan, consisting of six phases, is set out until 2030. The first phase, as part of which an area of 3.54 km² was supplied with utilities and the headquarters of the park administration were built, was completed in 2018.23

In the process of creating the Great Stone, Beijing has encountered a number of structural barriers resulting from the ineffectiveness of the Belarusian system. According to many Chinese experts, Belarus is “significantly less advanced in reforming and opening up its system” when compared to China, which results in an unfriendly business environment, ineffective administration and a lack of market regulations.24 In the official narrative, the Great Stone is compared to the special economic zones operating in China, the cradles of the Chinese market reforms.25 Beijing was also considering establishing a special institute in Minsk that would provide Belarus with necessary advice in

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22 Ibid.
24 Authors’ conversation with Chinese experts in Beijing in 2017.
25 As already mentioned, the Great Stone was to directly draw upon the China-Singapore Suzhou Industrial Park, a project launched in the 1990s in order to stimulate trade in that region. Cf. 共建工业园区带动一带一路国际产能合作 [The joint construction of the Belt and Road Initiative’s industrial parks as part of industrial capacity cooperation programmes], China’s Ministry of Trade, 2017.
the process of transformation. However, these ideas have not been put into practice, which proves that China is not determined to facilitate a real transformation of the Belarusian economy.

The key obstacle on the way to intensifying China’s engagement is Belarus’s limited access to the EAEU markets and, in a broader aspect, the still rather early stage of development of this integration structure. According to Chinese experts, the main problems include the non-tariff barriers and Russia’s protectionism within the EAEU, which prevent profitable exports from Chinese plants located in Belarus. This applies in particular to the Great Stone, whose status has still not been determined in the EAEU. Moscow’s political pressure on Minsk alone, which creates the risk of political destabilisation, is also viewed by some Chinese companies as a factor discouraging investors. Additionally, the stagnant Belarusian economy is perceived as too small a sales market, while the relatively high level of trade barriers affects the competitiveness of Belarusian exports to the EU.

As a result, the total amount of investments in the Great Stone reached only around US$1.1 billion in 2019, with Chinese companies accounting for roughly half of the park’s residents (with projects worth around US$620 million). The remaining residents are Belarusian, European (including German and Polish logistics companies) and American companies. Although formally the zone has seen an increased inflow of residents from China over the past few years (currently 60 are registered), only a few entities, mainly from the logistics sector (including the China Merchants Group), have made real investments. As a result, the level of development of the Great Stone and the involvement of Chinese investors in it remain unsatisfactory compared to the initial plans. However, the park may stand a chance of success, considering the recent inflow of entities from countries other than China, resulting in it expanding its capital ties with the world and improving its export potential.

2. The limited scope of economic cooperation

Since the two parties have different visions of economic cooperation, its actual effects are lower than expected. This is above all a problem for Belarus, which is trying to counterbalance its heavy dependence on trade with Russia. It still

26 Authors’ conversation with a Chinese expert in Beijing in 2017.
27 D. Kolkin, Belarus: Comparative Research..., op. cit.
28 The official website of the Great Stone Industrial Park, industrialpark.by.
accounts for approximately 50% of Belarus’s foreign trade in goods. Moscow is also Minsk’s main creditor (approximately 60% of Belarus’s foreign debt). In 2019, the Chinese-Belarusian trade in goods was worth only US$4.1 billion (much less than Belarusian trade with Ukraine), which is only around 6% of the value of Belarus’s foreign trade. The Belarusian trade deficit with China is also increasing: it reached US$3.1 billion in 2019, as compared to US$2.6 billion in 2018. China is the second (after Russia) source of imports to this market, while being the ninth largest recipient for Belarusian exports (both Poland and Lithuania are among the countries ahead of them).29 This trade asymmetry is further deepened by China’s tied financing model where granting a loan is dependent on the purchase of Chinese components.

Chart 1. Belarus’s trade with China in 2001–2018

![Chart 1: Belarus's trade with China 2001–2018](chart.png)

**Source:** International Trade Centre.

The trade structure also continues to be unfavourable for Belarus. China is mainly interested in importing low-processed goods, which means that potassium fertilisers produced in the Republic of Belarus have for years accounted for 60% of Belarusian exports to China. 10% of exports are generated by plastics, and only approximately 30% by products from other categories, including products of the machine-building industry (associated with the assembly of tractors or construction vehicles launched in China) and Belarusian food, which has recently been intensively promoted on the Chinese market (mainly meat and dairy products).30

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29 Data from the National Statistical Committee of the Republic of Belarus [www.belstat.gov.by](http://www.belstat.gov.by); ‘Отрицательное сальдо внешней торговли товарами за 2019 год выросло на 42%’, Tut.by, 18 February 2020, news.tut.by.

30 See the interview with the Belarusian Minister for the Economy, Dmitry Krutoy – ‘Крутой: доля Китая в белорусском экспорте может достигнуть 15%’, Беларусь сегодня, 24 April 2019, [www.sb.by](http://www.sb.by).
Chart 2. The structure of Belarusian exports to China in 2018

![Chart of the structure of Belarusian exports to China in 2018](image)

Source: International Trade Centre.

The benefits resulting from the inflow of Chinese direct investments are also far from what Belarus expected. Despite the upward trend seen since 2013, in 2019 their cumulative value accounted for only 3% of the value of all foreign investment in Belarus. China is thus not among the top investors, which include: Russia, Cyprus, the United Kingdom and Poland.\(^\text{31}\) Huawei is one of the most important Chinese investors in Belarus. Its subsidiary, Bel Huawei Technologies LLC, generates an annual turnover of US$100 million and is one of the leaders on the Belarusian mobile telecommunication market. The Promenada residential complex and the Beijing Hotel in Minsk, which were built in 2014 (value at approximately US$300 million combined) are China’s flagship projects in the construction sector. However, Belarus has been pinning its greatest hopes since 2007 on the development of the Great Stone economic zone. Given the slow inflow of Chinese investments in the park, Minsk has been making efforts to diversify its profile, i.e. to also attract European entrepreneurs. One example of these efforts was the sale of a 0.67% stake in the park’s development company to the German company Duisburger Hafen AG (a key stakeholder in China-EU rail transport) in 2018.

Several joint ventures with the involvement of Chinese capital are active in the Belarusian industrial sector. However, most of them operate on a small scale. These include the Midea-Horyzont company (a manufacturer of household appliances with investments worth approximately US$40–50 million) or the Volat-Sanjiang company (precision processing of metals and metal parts, mainly for the military with investments worth approximately US$30 million). The largest Chinese-Belarusian project in this industry is the BelGee car plant, launched in November 2017 near Borisov (Minsk region), which is a joint venture of the Chinese Geely corporation (owner of Volvo) and the Belarusian

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company BelAZ. The value of the entire venture reached US$300 million. The plant’s construction was partially financed by a Chinese loan of US$160 million. The production is based on Geely technology and will be sold to the Belarussian, Russian and Ukrainian markets.\textsuperscript{32} However, the plant had problems achieving stable profitability during the first years of its operation (in 2019, profits reached 5%).

To attract Chinese investors, in 2017 Minsk offered to sell Beijing a controlling or even majority stake in selected state-owned enterprises. The so-called Chinese list included 22 entities which were considered strategic by the government and had not been available for privatisation so far. These include: Homselmash (Russian: Gomselmash; production of agricultural machinery), the Minsk Tractor Plant, and BATE (production of electrical systems for agricultural machinery and vehicles). A possible entry of Chinese entities into the underinvested agricultural and food sector was also discussed. This way Minsk wanted to avoid taking more loans from China and at the same time persuade the Chinese co-owners to invest in the modernisation and development of individual companies. Chinese capital was also supposed to be a counterweight to Russian companies striving to take over key sectors of the Belarusian industry. The list of entities was addressed only to potential Chinese buyers, and no similar terms of sale had been offered before, even to Russia.

The talks, however, revealed fundamental differences in the way the two countries understood the sense of privatisation. As a result, the dialogue did not lead to a compromise, and nothing indicates that the impasse could end in the near future. The negotiations have shown how difficult it is to reconcile the Chinese approach (which is more market-oriented and includes demands to cut staff levels) with the conservative attitude of Minsk (which expects the investor to offer extensive social benefits).\textsuperscript{33}

### 3. The problematic modernisation and debts

Given the small number of commercial projects, Chinese capital flows into Belarus mainly in the form of export credits for the construction of infrastructure or ready-made production plants ordered by Belarusian companies. However, the loans are granted on condition that Chinese companies are engaged


as contractors and supply components and even labour. The guarantee of debt repayment, and thus the business risk, is shifted to the Belarusian partner. China is also generally reluctant to transfer advanced production technologies and mainly offers projects in heavy industry, the chemical sector, etc.

Export loans have become the most important channel of capital inflows from China to Belarus. In 2017, their share in the total acquired capital reached as much as 70%. Currently, the total value of production projects (including the modernisation or construction of factories ordered by Minsk) implemented in this way significantly exceeds the value of Chinese companies’ investments within the Great Stone. Projects of this type are financed as part of several credit lines (each worth between US$0.4 and 8.3 billion) that have been launched over the last ten years by the China Exim Bank and China Development Bank. However, the loans are in fact used on a much lower level than the value of credit lines might indicate. Belarusians cannot use these funds as they would like, as funds are made available only after a given project has been presented to and accepted by the Chinese side. Based on information from open sources, the estimated total value of Chinese export loans for the construction of infrastructure and production plants in Belarus in 2007–2019 reached approximately US$4.6 billion.

**Chart 3.** The inflow of Chinese export loans to Belarus in 2007–2019

![Chart 3](chart.png)

*Source:* own calculations.

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35 Е. Зайцева, Сотрудничество Республики Беларусь..., op. cit.

36 This amount does not include funds linked to contracts that have been cancelled by the Belarusian side or to suspended projects. Since part of the debts has been repaid, the debt currently owed by Belarus to China related to the implementation of infrastructure projects is currently lower, at approximately US$3.3 billion (see chapter III). Detailed information on credit lines and specific projects can be found in the Appendix.
The cooperation covering export loans is, however, perceived negatively in Belarus due to numerous problems with project implementation. The modernisation of two cement plants which began in 2007 turned out to be a big disappointment for Minsk. The Belarusian partner has reported serious reservations due to major delays in the implementation of the project by the Chinese contractor, the poor quality of construction work and defective equipment imported from China. Another example is the new cellulose and paper plant worth US$800 million that has been built since 2010 in Svetlahorsk (Homel Oblast), financed mostly by a loan of US$650 million. Mistakes made by the general contractor, the Chinese corporation CAMCE, resulted in delaying the launch of the factory by five years, and the last stages of the project were carried out by Belarusian contractors. Another similar case is the construction of a cardboard factory in Dobrush (also in Homel Oblast). This project worth US$510 million (of which US$350 million was financed with a Chinese loan) has been underway since 2012 and is still unfinished. In addition to that, the construction of the IPower battery plant near Brest has caused numerous controversies, especially due to the environmental risk. Ultimately, the government decided to withhold the launch of the finished factory for an indefinite term. In turn, in 2016, the independent Belarusian media reported that the Chinese corporation NCPE had defectively carried out the work linked to the development of the transmission infrastructure supporting the Astravyets Nuclear Power Plant, which was also being built at that time\(^37\) (the first block was launched on 7 November 2020). A similar structure of investment contracts, unfavourable for the Belarusian client, where Belarus repays loans despite serious delays in project implementation, can be seen in many cases.

Minsk is visibly disappointed with the Chinese ventures, as expressed by Lukashenka in February 2020, when he announced a ‘serious’ conversation with the Chinese leader Xi Jinping about unsuccessful investment projects.\(^38\) As a result of the negative experiences with the cooperation so far, the Belarusian government in 2019 in fact withdrew from granting government guarantees for Chinese loans. This informal moratorium was imposed to reduce the loan component in cooperation with China as much as possible, and thus to lift some of the burden off public finances. Belarus also encourages Chinese

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\(^{38}\) ‘Надо серьезно поговорить. На какие провальные проекты Лукашенко будет жаловаться Си Цзиньпину’, Tut.by, 4 February 2020, news.tut.by.
investors to allocate their own funds or to obtain them against the facilities being constructed as collateral.\textsuperscript{39}

China was ranked as Belarus’s second (after Russia) largest creditor in the last two years as a result of the loans. Despite the lack of complete data, it may be assumed that Belarusian debts to China currently account for approximately 20% of total foreign public debt, and the total value of outstanding Chinese loans (both for projects and those taken to replenish currency reserves and for debt service) exceeds US$3.3 billion.\textsuperscript{40} In 2019 alone, the total value of loans granted by Chinese banks exceeded US$600 million, which is only about US$100 million less than the value of Russian loan support. In the repayment schedule, the proportions of debts owed to China and Russia remain similar.\textsuperscript{41} From Beijing’s perspective, the total value of active loans granted to Belarus is relatively low. For comparison, Pakistan is currently negotiating with China on the terms of restructuring loans worth US$30 billion, and Venezuela took record-high loans worth US$62 billion.\textsuperscript{42} For Minsk, however, the debt in China is significant and poses a challenge to the stability of the Belarusian economy. For this reason, talks on emergency stabilisation loans have been initiated.

The loan of 3.5 billion yuan (over US$500 million) granted at the end of the year accounts for the greater section of the Chinese funding obtained in 2019. This was the first loan for the government in the history of China-Belarus relations that was not linked to any specific investment project. In turn, in April 2019, a liquidity loan (guaranteed by the Belarusian budget) of US$100 million was received by the state-owned Belarusbank from the China Development Bank.\textsuperscript{43} Considering the unprecedented form taken and the particular moment (during the political crisis between Minsk and Moscow), the first of these Chinese loans was presented in the Belarusian and foreign media as an alternative to financing from Russia. However, it should be emphasised that it was the result of arduous negotiations that had been conducted for many months. It may be assumed that these funds were used to maintain liquidity and repay earlier debts, including those owed to China.\textsuperscript{44} In the Belarusian budget

\textsuperscript{39} Д. Заяц, ‘Беларусь меняет бизнес-модель отношений с Китаем’, Naviny.by, 5 July 2019, naviny.media.
\textsuperscript{40} Idem, ‘Кому Беларусь должна более 20 миллиардов долларов’, Naviny.by, 7 June 2019, naviny.media.
\textsuperscript{41} See the website of the independent Belarusian economist Yaraslav Ramanchuk ‘Внешний долг в Беларуси’, myfin.by.
\textsuperscript{44} ‘Правительство Беларуси подписало кредитное соглашение с Банком развития Китая’, Белрынок, 16 December 2019, www.belrynok.by.
for 2019, the sum allocated for planned repayments of Chinese loans reached a value similar to the December loan: 1.343 billion Belarusian roubles (approximately US$500 million).\footnote{В 2019 году Беларуси надо выплатить Москве 65% внешнего госдолга’, Tut.by, 17 January 2019, news.tut.by.} In Beijing’s official narrative, the support was not of a political nature, but was in line with the practice of small intervention loans for selected partners, such as those granted e.g. to Pakistan. The very fact that Minsk was granted a stabilisation loan once again placed Belarus in a relatively small group of countries of particular importance for China’s policy. However, its amount remains small compared to Belarus’s foreign public debt of approximately US$17 billion.\footnote{This is the debt of Belarus’s public sector, while the country’s total foreign debt is US$25 billion. Given the Chinese system of providing loans for specific projects under state guarantees, some debt owed to Beijing may be classified in the debt segment of Belarusian companies, e.g. with state-owned companies.}
III. CONCLUSIONS

The ambitious political rhetoric adopted by both countries and the resulting far-reaching declarations of cooperation have so far delivered very modest concrete economic effects. For Belarus, the inflow of Chinese capital has so far mainly generated costs in the form of growing debt and a large trade deficit. In turn, China is increasingly disappointed with the scale of difficulties that it faces when operating within the centrally controlled, highly nationalised Belarusian economy. In turn, its attention is once again shifting to Ukraine, which is viewed as a more promising business partner.

The example of Belarus shows that China still views cooperation within the Belt and Road Initiative as an experiment rather than a strategic involvement in the partners’ economies. Even though an ambitious vision of the Great Stone Industrial Park has been presented, Beijing is not ready to push Minsk towards reforms that follow the Chinese model (in a scale comparable to the actions taken in recent years by the EU or the IMF with regard to Belarus) nor is it prepared to widely subsidise the inefficient Belarusian economy. Belarus is dissatisfied because China and its Belt and Road Initiative framework has no attractive economic offer for industrialised countries aspiring to reach the status of a developed country. Instead, Belarus has been offered a set of instruments that have proved useful for responding to the needs of developing countries, for example, in Africa. Furthermore, Beijing is ready to transfer only low-tech technologies (e.g. those linked to the chemical and heavy industries), which will not enable Belarus to modernise further.

The cooperation between the two countries has shown that Beijing does not have strategic political ambitions in Eastern Europe. China has chosen not to actively compete with Russia, which has the dominant position in Belarus. The cooling of its relations with Ukraine proves that China respects the Kremlin’s claims to its alleged sphere of influence in the Eastern European region. The economic and strategic importance of Minsk is still too small for Beijing to risk a conflict with Moscow, with which it is cooperating intensively on the global arena. In turn, Belarus is growing visibly more disappointed with the fact that economic cooperation with China still cannot effectively counterbalance its relations with its major partners among the EU countries and Russia.

If major economic support from China for the Lukashenka regime is to involve pushing through reforms based on the Chinese model or an extensive
aid programme, this would require a thorough redefinition of Beijing’s global policy. So far, it has avoided strategic involvement in the partner states’ economies (including subsidising ineffective sectors, significant assistance in debt or currency crises) that would have entailed the need to directly intervene in their domestic policies. Despite its great power ambitions, China makes cautious moves and does not take such steps even in the case of its strategic partners (such as Pakistan) or important economic partners (Venezuela, Turkmenistan), which it views as much more important than Belarus. Any future Chinese strategic involvement in Belarus will, however, take place within the limits set between Beijing and Moscow, as Moscow is a much more important partner of global significance than Minsk.

JAKUB JAKÓBOWSKI, KAMIL KŁYSIŃSKI
APPENDIX

Chinese financial engagement in Belarus in 2010–2020

The inflow of Chinese capital to Belarus is based mainly on export and development loans offered by the China Exim Bank and China Development Bank. In line with China’s global practice, financing is provided through credit lines that are opened on the basis of bilateral or regional agreements. Their beneficiaries, however, cannot usually use these funds as they wish. Each time specific projects (infrastructure, production, purchasing) need to be presented to the Chinese side before the funds can be utilised. The actual use of the credit lines may therefore significantly differ from the signed initial declared, which are merely political gestures.

China and Belarus have also signed three-year currency swap agreements on two occasions (enabling the exchange of national currencies at a predetermined rate), but there is no official information on whether they were ever used (such information has been revealed by Russia, Ukraine and other countries). The last one expired in May 2018.

Table 1. China-Belarus credit line agreements signed in 2010–2020

<table>
<thead>
<tr>
<th>Date signed</th>
<th>Declared value</th>
<th>Parties</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>US$1 billion</td>
<td>China Development Bank, Development Bank of the Republic of Belarus, Belarusbank</td>
<td>A credit line renewed once every few years has most likely been functioning since 2005; information on its renewal was disclosed, for example, in 2010, 2014 and 2020</td>
</tr>
<tr>
<td>March 2009</td>
<td>RMB20 billion / BYR8 billion (around US$3 billion)</td>
<td>People’s Bank of China, National Bank of the Republic of Belarus</td>
<td>Three-year currency swap</td>
</tr>
<tr>
<td>December 2009</td>
<td>US$5.7 billion</td>
<td>China Exim Bank</td>
<td>Framework commercial credit line allocated for joint projects</td>
</tr>
<tr>
<td>Date signed</td>
<td>Declared value</td>
<td>Parties</td>
<td>Description</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>March 2010</td>
<td>US$8.3 billion</td>
<td>Ministry of Finance of the Republic of Belarus, China Development Bank</td>
<td>Framework credit line allocated for joint projects</td>
</tr>
<tr>
<td>June 2010</td>
<td>US$1 billion</td>
<td>China Exim Bank</td>
<td>Credit line with subsidised interest rates on purchase of goods from China</td>
</tr>
<tr>
<td>May 2015</td>
<td>US$3 billion</td>
<td>n/a</td>
<td>Credit line with subsidised interest rates</td>
</tr>
<tr>
<td>May 2015</td>
<td>US$4 billion</td>
<td>n/a</td>
<td>Framework commercial credit line allocated for joint projects</td>
</tr>
<tr>
<td>July 2018</td>
<td>RMB2.54 billion (around US$400 million)</td>
<td>n/a</td>
<td>Credit line with subsidised interest rates for construction and development of agricultural projects</td>
</tr>
<tr>
<td>December 2019</td>
<td>RMB3.50 billion (around US$500 million)</td>
<td>Ministry of Finance of the Republic of Belarus, China Development Bank</td>
<td>Credit line allocated for foreign debt refinancing</td>
</tr>
</tbody>
</table>
The data below present the inflow of Chinese loans allocated for specific projects and guaranteed by the Belarusian budget. Considering the successive repayment of part of the debt, these figures do not reflect the current total value of the Belarusian debt owed to China (see chapter II.3).

Table 2. Selected projects financed with Chinese loans in Belarus in 2010–2020

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan value</th>
<th>Date signed</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modernisation of three Belarusian cement plants</td>
<td>US$530 million</td>
<td>March 2009</td>
<td>Belarus had a number of reservations about the modernisation, which was finished a few years behind schedule, in 2013</td>
</tr>
<tr>
<td>Modernisation of Minsk Heat and Power Plant No. 5</td>
<td>US$373 million</td>
<td>2009</td>
<td>Project completed in 2011</td>
</tr>
<tr>
<td>Modernisation of the Geroi Truda Paper Mill in Dobrush to launch cardboard production</td>
<td>US$348 million</td>
<td>September 2010</td>
<td>This project was launched in 2012 and has not been completed</td>
</tr>
<tr>
<td>Purchase of 12 Chinese freight locomotives by Belarusian Railways</td>
<td>US$85 million</td>
<td>October 2010</td>
<td>Completed</td>
</tr>
<tr>
<td>Development and modernisation of power plants in Lukoml and Bereza</td>
<td>US$634 million</td>
<td>October 2010</td>
<td>The term of putting the facilities into service was postponed several times; the project was partly completed by 2014. No information is available whether the work has been finally completed</td>
</tr>
<tr>
<td>Project</td>
<td>Loan value</td>
<td>Date signed</td>
<td>Status</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
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<td>----------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Electrification of the Homel–Zhlobin–Asipovichi and Zhlobin–Kalinkavichy railroads (141 km)</td>
<td>US$66 million</td>
<td>October 2010, 2016</td>
<td>The modernisation is to be completed by the end of 2021</td>
</tr>
<tr>
<td>Development of Minsk Airport (including construction of a second runway)</td>
<td>US$600 million</td>
<td>October 2010</td>
<td>The contract was officially cancelled due to the overrated cost estimate of the project; the project was completed in 2019 without the involvement of Chinese investors</td>
</tr>
<tr>
<td>Construction of a water power plant in Vitebsk</td>
<td>US$189 million</td>
<td>December 2010</td>
<td>The plant was put into operation in 2018</td>
</tr>
<tr>
<td>Construction of a cellulose factory in Svetlahorsk</td>
<td>US$654 million</td>
<td>October 2011</td>
<td>The contract with the Chinese contractor was terminated in 2019 after a series of misunderstandings. The investment was completed using Belarusian funds. Production was launched in early 2020</td>
</tr>
<tr>
<td>Construction of a BelGee car manufacturing plant (a joint venture of Belarusian companies and China’s Zhejiang Geely Holding Group)</td>
<td>Value: around US$300 million; including a Chinese loan of around US$160 million</td>
<td>2011</td>
<td>The factory was initially put into operation in 2013, but large-scale production began in November 2017</td>
</tr>
<tr>
<td>Project</td>
<td>Loan value</td>
<td>Date signed</td>
<td>Status</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Construction and launch of a communications satellite</td>
<td>US$282 million</td>
<td>June 2012</td>
<td>The project was successfully completed in 2016</td>
</tr>
<tr>
<td>Construction of a connector between the Belarusian power grid and the</td>
<td>US$323.8 million</td>
<td>2013</td>
<td>The Chinese contractor, NCPE, completed most of the work by 2017. The project caused numerous controversies due to the low quality of work performed and failure to meet ecological standards</td>
</tr>
<tr>
<td>Astravyets Nuclear Power Plant and a substation in Pastavy District</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First stage of Great Stone's construction</td>
<td>US$188 million</td>
<td>2014</td>
<td>Completed in 2017. The entire project (three stages) is planned to be completed in 2024; according to the Belarusian government’s estimates in 2019, a total of US$500 million had been invested by then</td>
</tr>
<tr>
<td>Purchase of rolling stock from China</td>
<td>US$52.7 million</td>
<td>2014</td>
<td>n/a</td>
</tr>
<tr>
<td>Purchase of rolling stock and electrification of the Maladzyechna–</td>
<td>US$175 million</td>
<td>May 2015</td>
<td>Project completed in 2017</td>
</tr>
<tr>
<td>Gudogai line</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modernisation and rebuilding of the Minsk-Severnaya power supply line</td>
<td>US$48 million</td>
<td>August 2015</td>
<td>The Chinese contractor, NCPE, completed the project in 2019</td>
</tr>
<tr>
<td>substation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modernisation of the Orsha Linen Mill</td>
<td>US$51 million</td>
<td>December 2015</td>
<td>There is no information as to whether the work has been completed; the government assured in 2019 that the project had entered the final stage</td>
</tr>
<tr>
<td>Project</td>
<td>Loan value</td>
<td>Date signed</td>
<td>Status</td>
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<tr>
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</tr>
<tr>
<td>Construction of a battery factory near Brest</td>
<td>US$20 million</td>
<td>2017</td>
<td>The Chinese contractor completed the project in spring 2019. However, the government blocked its launch due to protests from Brest residents who were concerned about the environmental risk</td>
</tr>
<tr>
<td>Construction of a potassium nitrate production factory in the extraction and production complex of the Belaruskali company in Salihorsk</td>
<td>around US$120 million</td>
<td>2018</td>
<td>The Chinese contractor, the Migao company, completed the project in one year; the factory was opened in November 2019</td>
</tr>
<tr>
<td>Construction of the Belarusian National Biotechnological Corporation engaged in innovations in the areas of grain processing and animal feed production</td>
<td>US$635 million</td>
<td>July 2018</td>
<td>The Chinese contractor, CITIC, started implementing the project in 2018; it is planned for completion in 2021</td>
</tr>
<tr>
<td>Construction of two modern international sports facilities (a stadium and a swimming pool) in Minsk</td>
<td>US$180 million</td>
<td>2019</td>
<td>The contractor is planning to complete both projects by the end of 2023</td>
</tr>
</tbody>
</table>