

Diplomacy

# Covid-19: China turns on the charm to get its belt and road plan back on track

Saturday 17 October 2020, by [WU Wendy](#) (Date first published: 17 October 2020).

- **Beijing's diplomats are leading a global effort to breathe new life into the stalled multibillion-dollar scheme, but observers say revitalising it in a post-pandemic world will not be easy**
- **China said in June that about 60 per cent of projects under the plan had been affected in some way by the global health crisis**

Chinese diplomats have been on the road in recent weeks trying to whip up fresh enthusiasm for Beijing's faltering trade and infrastructure development plan which has faced new pressures from the coronavirus pandemic.

Many projects under the multibillion-dollar Belt and Road Initiative have stalled because of the global health crisis but that is not its only problem, analysts say.

Beijing has been accused of pushing developing nations into debt traps and of using the scheme as a foil for increasing its political leverage around the world.

In a bid to paint the initiative in a more positive light, State Councillor Yang Jiechi [[1](#)], one of China's top diplomats, recently visited Sri Lanka, the United Arab Emirates, Algeria and Serbia, each of which is host to at least one belt and road scheme.

On his return, Yang described the four countries as important partners along the route and said China was keen to develop more projects with them in the future.

Sri Lanka is home to Hambantota port [[2](#)], one of the most controversial developments under the belt and road scheme. Paid for with Chinese money, Colombo was forced to hand over the running of the facility to a Chinese firm in 2017 after it was unable to meet its debt repayments.

It has since been held up by critics as a symbol of the worst aspects of China's so-called debt trap diplomacy.

During his overseas tour, Yang admitted the belt and road plan had "encountered challenges". In June China's foreign ministry said that about a fifth of projects under the initiative had been "severely impacted" by the Covid-19 pandemic, with a further 30 to 40 per cent "affected" by it. Among the projects to have stalled, mostly as a result of funding issues, are plants in Egypt, Bangladesh and Pakistan, and a railway project in Kenya.

Andrew Small, a senior fellow at the German Marshall Fund think tank in the US, said that the high

pace of development seen in the early years of the belt and road plan – it was launched in 2013 – was no longer sustainable.

“The pace and scale ... was not necessarily so prudent, either economically or politically, and it might be better to proceed in a more targeted, recalibrated fashion that is more attuned to economic and political risk,” he said.

Despite Beijing’s ambitions, re-energising the scheme would not be easy, Small said.

“Practical reasons, macroeconomic reasons [and] the inability to resolve the debt picture across the developing world, as well as the politically contentious nature of some of the projects mean there are a few obstacles to revitalising it”, he said.

Nonetheless, Beijing is working full tilt to promote its ambitious plan, most recently among its partners in Southeast Asia.

On a visit to Bangkok on Thursday, Chinese Foreign Minister Wang Yi promised to sell Thailand’s massive infrastructure, technology and trade zone plan – known as the Eastern Economic Corridor – to Chinese companies and make it a focal point for the belt and road scheme in the region.

Lee Yinghui, an associate research fellow at the S. Rajaratnam School of International Studies at Nanyang Technological University in Singapore, said Beijing needed to ensure the needs of host countries were thoroughly considered when negotiating deals.

“In particular, the political sensitivities surrounding digital technologies like 5G and their potential national security implications should be taken into consideration,” she said.

On a global scale, travel restrictions were likely to remain a challenge to revitalising the belt and road plan in a post-pandemic world, he said, although the situation might provide opportunities for Chinese companies to “explore better use of local raw materials and labour in host countries”.

Le Hong Hiep, a research fellow on foreign policy at the ISEAS-Yusof Ishak Institute in Singapore, said China had to be more discerning not only about what projects to develop, but also how to finance them.

“Sooner or later, China will have to scale down [the belt and road plan] and become more selective about projects ... it can no longer bankroll just any scheme,” he said.

**Wendy Wu**

---

**P.S.**

• South China Morning Post. Published: 6:00pm, 17 Oct, 2020. Updated: 11:29pm, 17 Oct, 2020: <https://www.scmp.com/news/china/diplomacy/article/3105832/chinas-turns-charm-get-its-belt-and-road-plan-back-track>

This article appeared in the South China Morning Post print edition as: beijing push to revive trade plan

- Wendy Wu is a Beijing-based reporter focusing on international finance and diplomacy. Her journalism career spans a decade and she has been reporting for the Post since 2015. Wendy has a master's degree in finance from Germany's University of Freiburg.

---

## Footnotes

[1] <https://www.scmp.com/news/china/diplomacy/article/3100433/chinas-top-diplomat-yang-jiechi-urges-eu-and-asean-work-build>

[2] <https://www.scmp.com/news/china/diplomacy/article/3040982/sri-lanka-wants-its-debt-trap-hambantota-port-back-will-china>