

Analysis of China's International Trade and Collaboration Model under the "Belt and Road" Initiative

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Abstract

Since the launch of the Belt and Road Initiative, China's international economic cooperation has gradually shifted from a traditional model centered on commodity exchange to a more diversified framework involving policy alignment, transport and logistics connectivity, industrial coordination, and digital commerce. This process has not only broadened the scope of China's external economic engagement, but also strengthened links with partner countries in areas such as ports, rail networks, energy projects, cross-border e-commerce, and overseas industrial parks. In practical terms, intergovernmental policy coordination has provided an institutional basis for smoother economic exchanges, while the improvement of transport infrastructure has enhanced logistics efficiency. At the same time, the continuous expansion of transaction volume has deepened mutual dependence among participating economies. In terms of cooperation patterns, goods exchange remains the basic form, while project-driven economic interaction supported by infrastructure development is becoming increasingly prominent. Meanwhile, coordination across industrial and supply chains has become an important pathway for high-quality development, and cross-border e-commerce has enabled small and medium-sized enterprises as well as distinctive local products to access overseas markets more efficiently. Looking ahead, China should further refine the mechanisms for international economic cooperation under the Belt and Road framework, upgrade the structure of external trade, improve the quality of transport and logistics corridors, and accelerate the development of cross-border e-commerce and digital trade. These efforts will help promote Belt and Road economic cooperation toward a higher-quality, more resilient, and more sustainable stage.

Keywords

"Belt and Road"; International Trade; Trade Collaboration Model; Cross-border E-commerce; Industry Chain Supply Chain.

1. Introduction

Under the background of in-depth adjustment of economic globalisation and accelerated restructuring of international trade rules, the Belt and Road Initiative provides an important platform for China to expand international markets, deepen regional collaboration and improve the level of an open economy. Traditional international trade relies more on commodity prices, resource endowment and market demand, while trade collaboration under the policy emphasises interconnection, institutional coordination and industrial linkage[1-2]. The chairman of the Third Belt and Road International collaboration Summit Forum in 2023 pointed out that over the past 10 years, more than 150 countries and more than 30 international organisations have signed collaboration documents with China and established multilateral collaboration platforms in more than 20 fields such as railways, ports, finance,

energy and green development. It can be seen that the "Belt and Road" trade collaboration is no longer a simple issue of import and export growth, but a systematic collaboration process involving the joint role of policies, logistics, industry, finance and digital platforms.

2. The Advancement Basis of China's International Trade Collaboration under the Belt and Road Initiative

2.1. Policy Communication Continues to Deepen

Different countries have differences in tariff systems, investment access, inspection and quarantine, customs clearance supervision and trade dispute handling. In the absence of a stable policy coordination mechanism, trade collaboration is easily affected by institutional friction. In recent years, China has strengthened the docking of rules with joint construction countries through summit forums, bilateral joint economic and trade joint committees, free trade agreements, investment protection agreements and customs collaboration mechanisms. The Third "Belt And Road" International collaboration Summit Forum Clearly Proposed To Build An Open World Economy, Create A "Silk Road E-Commerce" collaboration Pioneer Zone, And Sign Free Trade Agreements And Investment Protection Agreements With More Countries, Which Shows That Policy Communication Has Gradually Shifted From Macro Initiatives To Specific Institutional Arrangements. The deepening of policy communication is conducive to reducing trade uncertainty, improving the confidence of enterprises in transnational operations, and creating a more stable external environment for the cross-border flow of goods, capital, technology and personnel.

2.2. Improving the Level of Infrastructure Interconnection

For the countries that jointly build the policy, the improvement of ports, railways, highways, aviation, warehousing and information networks is directly related to trade costs, transportation efficiency and supply chain stability. In the process of promoting trade collaboration, China not only attaches importance to commodity exports, but also attaches importance to the construction of transportation channels and logistics nodes, and improves the efficiency of interregional goods flow through China-Europe trains, new western land and sea channels, overseas port collaboration, cross-border railways and overseas warehouses[3-4]. Take the China-Europe train as an example, a total of 19,000 trains will be opened in 2024, sending 2.07 million TEUs of goods, an increase of 10% and 9% year-on-year respectively, and have reached 227 cities in 25 European countries and more than 100 cities in 11 Asian countries, which shows that infrastructure collaboration not only improves transportation conditions It has also objectively driven the expansion of the trade network along the route.

2.3. The Scale of Trade Continues to Expand

With the improvement of policy communication and infrastructure connectivity, China's trade ties with the joint construction countries have become closer, and the scope of collaboration has also expanded from traditional energy, minerals and agricultural products to mechanical and electrical products, new energy products, digital services and cross-border e-commerce. According to the data of the General Administration of Customs, in 2023, China's imports and exports with the countries that jointly build the "Belt and Road" reached 19.47 trillion yuan, an increase of 2.8% year-on-year, accounting for 46.6% of China's total foreign trade value; in 2024, China's total imports and exports to the countries that jointly build the "Belt and Road" are 22.07 trillion yuan, an increase year-on-year. 6.4%, accounting for more than 50% of China's total import and export value for the first time. This change shows that the joint construction of countries has become an important supporting force for the growth of China's foreign trade, and also shows that the focus of China's international trade collaboration is

extending from traditional European and American markets to more diversified regional markets.

3. The Main Model of China's International Trade Collaboration under the Belt and Road Initiative

3.1. Commodity Trade Collaboration Model

The commodity trade collaboration model is the most basic and direct form of international trade collaboration in the policy. This model is mainly manifested in the import and export trade between China and the co-construction countries on energy resources, agricultural products, mechanical and electrical products, textiles, auto parts, new energy products, etc. From the perspective of trade logic, commodity trade collaboration relies on the resource endowment and industrial advantages of various countries to form a complementary relationship: China can export machinery and equipment, electronic products, transportation and daily consumer goods to the countries jointly built together, and at the same time import energy, minerals, agricultural products and special goods from relevant countries. The advantage of this model is that it has fast results, wide coverage and many participating subjects, which can drive the growth of enterprise orders and market development. However, its shortcomings are also more obvious. If it stays at the level of commodity exchange for a long time, it is easily affected by price fluctuations, exchange rate changes, trade barriers and transportation costs. Therefore, commodity trade collaboration needs to be combined with brand building, standard certification, after-sales service and localisation marketing, and gradually shift from quantitative expansion to quality improvement.

3.2. Infrastructure-driven Trade Collaboration Model

The infrastructure-driven trade collaboration model emphasises "connect first, trade later" or "promote trade with construction". In some co-construction countries, transportation, port loading and unloading, warehousing and distribution and energy supply capacity are insufficient, limiting the circulation of local goods and the advancement of international trade. China improves local infrastructure conditions by participating in the construction of railways, highways, ports, energy pipeline networks and industrial parks, so as to drive the growth of equipment exports, engineering contracting, logistics services and subsequent commodity trade. This model is different from simple commodity trading. Its core is to form a long-term cooperative relationship through engineering projects and further extend to trade, investment, finance and industrial support[5-6]. For example, after the completion of the transportation channel, agricultural products, mineral products and industrial products along the route can enter the international market more conveniently, and Chinese enterprises can also obtain more stable supply chains and logistics channels. Infrastructure-driven trade collaboration is long-term, comprehensive and spillover, which is an important feature of the "Belt and Road" trade collaboration.

3.3. Industry Chain Supply Chain Collaboration Model

The industry chain supply chain collaboration model is the key to the high-quality development of the "Belt and Road" trade collaboration. Compared with traditional import and export trade, industry chain supply chain collaboration pays more attention to the division of labour in production links, the connection of technical standards, the construction of industrial parks and the coordination of upstream and downstream enterprises. China's manufacturing system is complete and has strong advantages in equipment manufacturing, electronic information, new energy, engineering machinery, textile and clothing and other fields, while some jointly built countries have labour, resources, location and market potential. The two sides can realise multi-chain coordination through the joint construction of industrial parks, overseas

production bases and processing and assembly centres. Relevant articles of the National Development and Reform Commission point out that China has signed production capacity collaboration documents with more than 40 countries. Industry chain collaboration has become an important form of upgrading trade collaboration.

4. The path of China's International Trade and Collaboration Model under the "Belt and Road" Initiative

4.1. Improve the Trade Collaboration Mechanism

Against the backdrop of the continued expansion of economic exchanges under the Belt and Road Initiative, improving relevant institutional arrangements is essential for maintaining the stable operation of international cooperation. In 2024, China's total imports and exports with participating Belt and Road countries reached 22.07 trillion yuan, accounting for more than half of China's overall foreign trade value for the first time. This indicates that these partner economies have become a major direction for China's external trade development, while also placing higher demands on institutional coordination.

China should further strengthen communication with participating countries and promote better alignment in areas such as customs facilitation, inspection and quarantine, trade settlement, investment protection, and dispute resolution. Such efforts can help reduce regulatory differences and transaction costs faced by enterprises in cross-border business activities. At the same time, bilateral and multilateral economic cooperation mechanisms should be regularized to improve the relevance, continuity, and implementation capacity of policy communication.

For enterprises, a stable and transparent institutional framework can improve market expectations and reduce operational risks in international trade. At the national level, more systematic and rule-based coordination will help promote the transformation of Belt and Road economic cooperation from a project-driven model to a more institutionalized and rule-oriented model.

4.2. Optimise the Trade Structure

In the past development process, China's trade collaboration with some co-construction countries has focussed more on energy resources, primary products and general manufactured goods. Although it can expand the scale of trade, there is still room for improvement in terms of added value, brand influence and risk resistance. As the advancement of China's foreign trade has entered a high-quality stage, trade collaboration should not only pursue quantitative growth, but also pay more attention to the optimisation of product structure, market structure and value structure. Judging from the foreign trade data of the past two years, as shown in Table 1, China's trade collaboration with the countries that jointly build the "Belt and Road" has not only continued to expand in scale, but also continues to increase the proportion of China's overall foreign trade, which shows that China's foreign trade is changing from general commodity exchange to high-tech, high value-added and more industrial support capacity[7-8]. Specifically, China should continue to consolidate the advantageous areas of electromechanical products, equipment manufacturing, new energy products and digital services, and promote more high-tech and high-value-added products into the market of jointly built countries. It should also expand the import of high-quality agricultural products, energy resources and special consumer goods, enhance the complementarity of trade, and reduce the single dependence on commodities and single markets ensures that trade collaboration is more balanced, stable and sustainable.

Table 1. Relevant indicators of foreign trade structure in China from 2023 to 2024

Comparison Indicators	Indicator Type	2023	2024
Year-on-year growth rate of total import and export volume of goods trade in China	Growth Rate	0.2%	5.0%
Year-on-year growth rate of import and export volume with countries participating in the policy	Growth Rate proportion	2.8%	6.4%
Proportion of import and export volume with countries participating in the policy in China's total import and export volume	growth rate proportion	46.6%	50.3%
Year-on-year growth rate of export volume of mechanical and electrical products	Indicator Type	2.9%	8.7%
Proportion of export volume of mechanical and electrical products in China's total export volume	Growth Rate	58.6%	59.4%

4.3. Strengthen Infrastructure Construction

Such interconnection is the prerequisite for the smooth development of international trade, and it is also an essential feature that distinguishes the policy from general trade collaboration. For many co-construction countries, there are still shortcomings in infrastructure such as transportation, port loading and unloading, warehousing and distribution, energy supply and information networks, which will directly affect the efficiency of goods circulation and trade costs. So, while promoting trade collaboration, China should continue to strengthen railways, ports, highways, air logistics, overseas warehouses and digital customs clearance. It should be noted that infrastructure construction should not only pay attention to the project construction itself, but also pay more attention to the later operation, maintenance management and economic benefits. Only by combining infrastructure construction with local industrial development, logistics demand and trade growth can we truly give full play to the role of channel-driven trade, trade-promoting industry, and industry-feeding collaboration, so as to promote the "Belt and Road" trade collaboration to form a long-term development momentum.

4.4. Vigourously Develop Cross-border E-commerce

Cross-border e-commerce, together with overseas warehousing, global logistics networks, digital payment systems and other emerging forms of foreign trade infrastructure, can shorten transaction chains, improve the efficiency of product circulation, and enable enterprises to reach overseas consumers more directly. Therefore, China should continue to improve the construction of cross-border e-commerce pilot areas, overseas warehouse networks, international logistics services, digital payment platforms and after-sales support systems. Meanwhile, traditional foreign trade enterprises should be encouraged to accelerate their digital transformation and platform-based operation.

To better illustrate the role of cross-border e-commerce in Belt and Road trade cooperation, its main functions are summarized in Table 2. Cross-border e-commerce is no longer merely an online sales channel. Rather, it has developed into a new foreign trade model that integrates platform transactions, logistics delivery, payment settlement, data-based services and rule coordination.

In advancing Belt and Road international trade cooperation, China should also deepen coordination with participating countries in areas such as e-commerce regulations, data protection, consumer rights protection and digital identity verification, so as to improve the standardization of cross-border e-commerce development. At the same time, efforts should be made to further promote cooperation under the "Silk Road E-commerce" framework and enhance its practical implementation[9-10]. Through policy dialogue, industrial coordination, local-level cooperation and capacity building, broader development space can be created for Belt and Road digital trade. In this way, cross-border e-commerce can play a stronger role in

expanding trade channels, fostering new drivers of foreign trade, and supporting the participation of small and medium-sized enterprises in international markets.

Table 2. The main role of cross-border e-commerce in promoting the "Belt and Road" trade collaboration

In terms of functions	Specific manifestations	Practical significance
Lowering trade barriers	By leveraging e-commerce platforms, online payment systems, and digital marketing, small and medium-sized enterprises can directly enter the international market.	Expand the scope of trading entities and enhance the ability of small and medium-sized enterprises to participate in international competition
Improving circulation efficiency	Through overseas warehouses, intelligent logistics, and digital customs clearance, the delivery cycle of goods can be shortened.	Reduce logistics costs and improve the convenience of cross-border transactions
Optimizing trade structure	Promote the entry of characteristic products, local brands, and high-value-added products into overseas markets.	Promote the transformation of foreign trade from quantity expansion to quality improvement
Strengthening market responsiveness	Utilize online transaction data to analyze overseas consumer demand.	Help enterprises improve product design, marketing methods and supply chain management
Promoting rule coordination	Strengthen collaboration in e-commerce rules, data security, consumer protection, and digital certification.	Enhance the standardization and sustainability of cross-border e-commerce development

5. Conclusion

Generally speaking, China's international trade collaboration under the "Belt and Road" initiative has formed a diversified collaboration model based on commodity trade, supported by infrastructure connectivity, focussing on industry chain supply chain collaboration, and taking cross-border e-commerce and digital trade as the new driving force. Compared with traditional trade collaboration, this model pays more attention to policy coordination, channel construction, industrial embedding and digital empowerment, reflecting systematic and long-term characteristics. At present, the international trade environment is still facing challenges such as geopolitical risks, trade protectionism, supply chain instability and digital rule differentiation. Therefore, in the process of promoting the "Belt and Road" trade collaboration, China should not only expand the scale of trade, but also improve the quality of collaboration; not only strengthen infrastructure construction, but also pay attention to institutional regulations. Then connect; we should not only support large enterprises to participate in major projects, but also create conditions for small and medium-sized enterprises to enter the international market through cross-border e-commerce, promote trade collaboration from scale expansion to quality improvement, and achieve mutual benefit and win-win development.

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