Annual Review of Territorial Governance in the Western Balkans, I, 2019, 16-26
Journal of the Western Balkan Network on Territorial Governance
Print ISSN 2706-6371
https://doi.org/10.32034/CP-TGWBAR-I01-02

From Space in Transition to Space of Transit - Risks and Opportunities of European and Chinese Investments in the Western Balkan Region

Giancarlo Cotella[a], Erblin Berisha[b]

Summary

The Western Balkan Region (WBR) is currently undergoing a complex process of integration into the European Union (EU) that is supported by a number of programmes and actions. In the last decade, however, a new and cumbersome set of actors entered the game. The launch of China's Belt and Road Initiative (BRI) has triggered a growing influx of foreign capital in the region, potentially limiting the influence of the EU. In this light, this contribution seeks to compare the logics of Chinese interventions on the WBR to those that underpin the ongoing European integration process, in order to identify existing mismatches and intersections, and reflect upon their potential consequences. The analysis shows that, whereas the EU remains the most relevant influencing actor in the region, China's growing impact may slowdown integration in the long run.

Keywords: Belt and Road Initiative, Western Balkan Region, European Union, China, Conditionality

Contact

[a]giancarlo.cotella@polito.it (Corresponding author)
[b]erblin.berisha@polito.it

Interuniversity Department of Regional and Urban Studies and Planning (DIST)
Politecnico di Torino, Torino, Italy, www.polito.it

The Western Balkans and the European Union

After the collapse of the Berlin Wall and, in particular, since the beginning of the 2000s, the EU has progressively invested in the geopolitical and economic stabilization of the WBR.[1] Since the launching of the Stabilisation Agreement Process (SAP), however, relations between the EU and the countries of the WBR have not been linear and the integration process differs from one country to another. Since the Stabilisation and Association Agreements were signed, the majority of countries are still dealing with the transposition of the acquis communautaire and a complex institutional preparedness process that leads to integration (Table 1).

Table 1. EU Integration steps for WB's countries

Steps	Agreements	AL	BA	ME	MK	RS	XK
Pre-Adherence Agreement	Potential Candidate	2000	2003	2000	2000	2000	2000
	SAA	2006 - 2009	2008 - 2015	2008	2001	2008	2014 -2016
	Application for EU membership	2009	2016	2009	2004	2009	n.a
	Candidate Status	2014	n.a.	2010	2005	2012	n.a.
Screening	Analytical examination of the acquis	2018	n.a.	2011	2018	2013	n.a.
Negotiation	Chapters' Discussion Period	n.a.	n.a.	2012 -	n.a.	2015 -	n.a.
Adhesion	Adhesion Treaty	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Status	Member State	n.a.	n.a.	n.a.	n.a	n.a.	n.a.

Source: Authors' own elaboration

According to official data (European External Action Service, 2017) there is a strong economic relationship between the EU and the WBR. Share trade volume reached EUR 49.5 billion in 2017, with the EU countries that represent the WBR being the best trading partners with 73% of the total volume (ibid.). As a consequence, the EU has a strong influence on the economy of the region and this interdependency is expected to be consolidated further once full integration is achieved. To this end, the EU has mobilized a set of tailor-made funding mechanisms that target strategic fields like transport infrastructure; energy production and efficiency; environmental protection and green investment; and justice and public administration reform. Despite being excluded from the EU's structural funds programming, WBR countries are eligible for a number of funding schemes grouped under the Instrument of Pre-Accession Assistance (IPA). At the same time, they are involved in the EU Macroregional Strategy for the Adriatic-Ionian Region and in the EU Macroregional Strategy for the Danube Region.

Since the introduction of IPA I (2007-2013) and IPA II (2014-2020), the EU has invested more than 23 billion EUR on the WBR. Under the umbrella of IPA II, numerous projects concerning regional cooperation and connectivity have been developed. Importantly, a large share of funds has been dedicated to shorten the distance between border communities by facilitating and implementing cross-border projects, both among member states and non-member states, as well as between two or more non-member states (either candidate or neighbourhood countries). Looking more carefully at the allocation scheme of the IPA II, one can note that funds have not been equally distributed among sectors (DG for Internal Policies, 2018). Despite slight differences among countries, the majority of funding has been dedicated to the rule of law and competitiveness sectors while less attention has been given to issues like environment, transport, and social policies (see Table 2). One should highlight that these tools, similarly to the pre-accession tools implemented in Central and Eastern European Countries (CEECs) throughout the 1990s and early 2000s, have progressively contributed to channelling a number of EU priorities in the region such as: sustainable regional development, tourism, environmental protection, measures against social exclusion of minorities, and mitigation of climate change effects (Cotella, 2007, 2014; Cotella et al., 2012; Adams et al., 2011). This has occurred through incremental logics of economic conditionality, with the EU having developed an articulated set of conditions for the attribution and use of the established economic incentives.

Table 2. EU Integration steps for WB's Countries

Sector	AL	BA	ME	MK	RS	XK
Democracy and rule of law	27%	28%	19%	15%	22%	22%
Democracy and governance	16%	8%	11%	11%	15%	14%
Rule of law and fundamental rights	10%	7%	7%	4%	8%	8%
Competitiveness and growth	23%	42%	30%	35%	27%	28%
Environment, climate change, and energy	3%	6%	6%	10%	10%	12%
Transport	2%	3%	5%	10%	3%	0%
Competitiveness, innovation, agriculture, and rural development	14%	4%	12%	11%	11%	10%
Education, employment, and social policies	5%	2%	8%	4%	4%	6%
Total	**1279**	**789,3**	**568,2**	**1217**	**3078,8**	**1204,2**

Source: Authors' own elaboration based on the Indicative Strategy Papers – Revised version. Data provided by DG NEAR (2018)

China's Growing Influence in the Balkans

Since the beginning of the new millennium, China has progressively expanded its geopolitical, economic, and strategic influence around the world (Pu, 2016). One of the ways that China has pursued this is in the revitalization of the ancient Silk Road, which for centuries constituted the only corridor connecting the Western and the Eastern side of the Eurasian continent. To do so, in 2013 President Xi Jinping launched the so-called Belt and Road Initiative (BRI), aimed at connecting China with its international partners by investing in roads, motorways, and railways, as well as maritime infrastructures such as harbours and docks. The BRI seeks to mobilize over USD 4 trillion through 2049 and concerns more than 68 countries around the world, together accounting for 65% of the world's population and over 40% of the world's total GDP. In this sense, the BRI is the most ambitious and economically relevant initiative ever experienced, comparable only with the Marshall Plan launched by the United States after WWII and the activities of the Council for Mutual Economic Assistance instituted by the Soviet Union shortly thereafter (Figure 1).

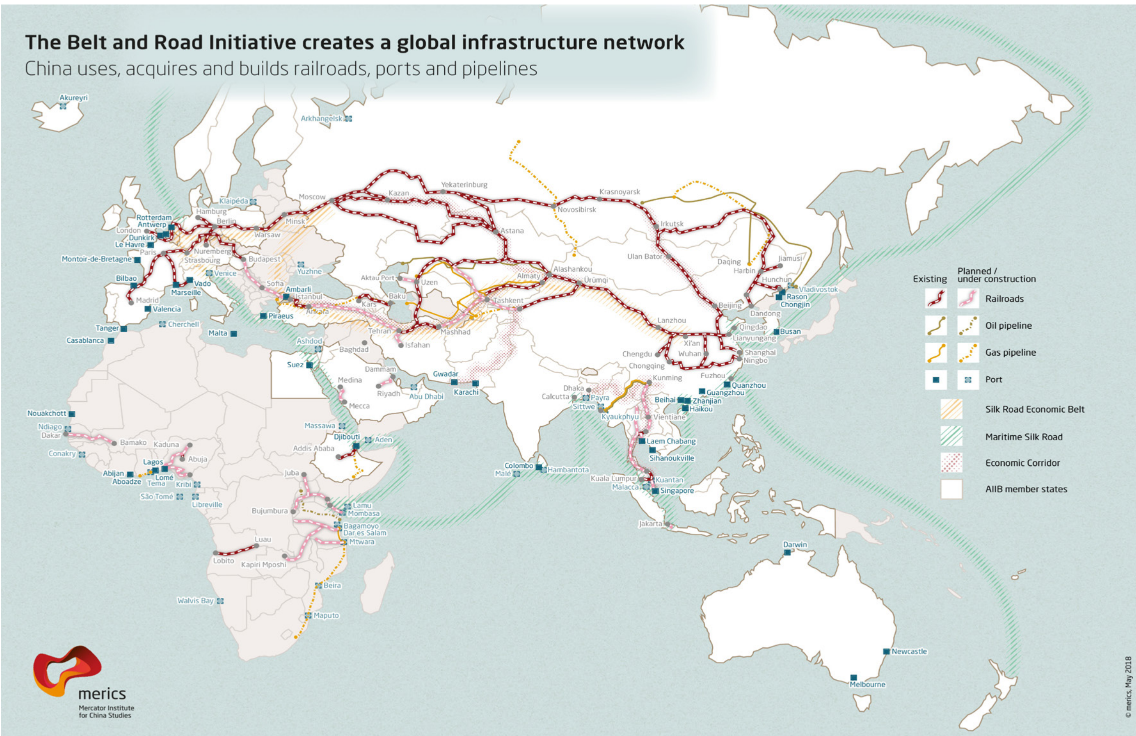
The future economic and geopolitical consequences of the BRI and, more generally, of China's trans-continental ambitions, are a subject of debate. As it is widely recognized (Liu, 2015; Griger, 2016; Djankov, 2016; Tonchev, 2017; Cai, 2017) the reasons behind the BRI can be divided into three groups:

a) China's domestic and contextual needs and priorities: China seems to have reached its internal market expansion limits, causing an economic slowdown which could derail social stability in the country and increase unemployment (Grieger, 2016; Pu, 2016). To avoid that, China is looking to find new open markets for its goods (Pu, 2016; Cai, 2017).

b) Exploitation of global geopolitical contingencies: Externally, the BRI takes advantage of a set of global geopolitical contingencies. These include the recent EU economic, political, and social crisis and the concomitant retreat of the United States from a number of multilateral agreements, which have made room for China's increased international investments[2] aimed at reducing the transport cost of goods and securing China's energy supply.

c) Development of a new geopolitical order: As explicitly argued by Xi Jinping during the Peripheral Diplomacy Work Conference in 2013, the objective of his economic policy is to turn China into the pivotal centre of the world economy by connecting existing markets on the Eurasian continent and consolidating an increasing economic interdependency between the main economies in the world.

Figure 1. The geographical scope of the BRI



Source: Mercator Institute for China Studies, 2018 (used with permission)

Heavily impacted by the 2008 global economic crises (Furceri and Zdzienicka, 2011), CEECs and WBR countries started to sign bilateral investment agreements with China as early as 2012, demonstrating a rather positive attitude on behalf of these countries when compared to the suspicious approach of most Western countries. In 2013, the "16+1 Initiative" was established, a platform meant to facilitate Chinese public and private investments to increase infrastructure connectivity within CEECs and the WBR while simultaneously catalyzing the implementation of the BRI economic and spatial visions.[3] Having a strategic geographical position between Western Europe and the East, Western Balkan countries are attracting the majority of Chinese investments within the framework of the 16+1 cooperation. Numerous projects are being implemented in several sectors such as infrastructure, energy, electricity, and logistics (Liu, 2015). Another particularity of the 16+1 is the proliferation of coordination platforms amongst participating countries in different sectors like tourism, agriculture, infrastructure, logistics, and energy, among others. These platforms are primarily aimed at facilitating cooperation among institutional and non-institutional actors.

Coming back to the BRI, the synergies between its land and sea routes will increase cooperation and trade exchange between the two major economies on the Eurasian continent: China and the (Western) EU.[4] This is perhaps the main reason why China is investing time, resources, and diplomatic efforts to ensure cooperation with the countries involved. As a consequence, an incrementally growing volume of economic and political efforts has been dedicated in recent years to infrastructure development (ports, roads, railway, etc.) to guarantee a good connection network within the region and outside of it. However, unlike the EU approach to infrastructural development, (which aims at regional balance and cohesion), China seems to be uninterested in evaluating the social and environmental impacts of the initiative (Tonchev, 2017; Tracy et al., 2017). Moreover, as recognized by Liu (2015), the implementation of the BRI potentially raises a number of domestic and international challenges. In the Balkan region in particular, the initiative must deal with path-dependent economic and political instability, as in the case of the Greek crisis for instance (ibid.). Despite this, Chinese investors and local authorities have unanimously recognized the importance of the WBR segment of the BRI (Tonchev, 2017).

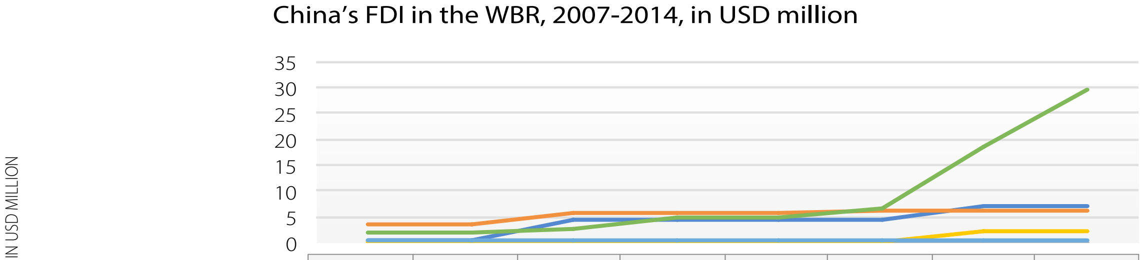
When it comes to the financial means adopted by China to support the implementation of the BRI in the WBR, several financial institutions have been introduced, such as the Silk Road Fund, the Asian Infrastructure Investment Bank, and the China CEE Investment Co-operation Fund. These institutions operate along three different lines of investments:

a) direct investments - through which Chinese private or state companies acquire local companies

b) open credit lines and loans - used for the development of strategic infrastructure; and

c) acquisition of national debt shares.

Figure 2. China's accumulated foreign direct investments in the WBR



	2007	2008	2009	2010	2011	2012	2013	2014
Albania	0.51	0.51	4.35	4.43	4.43	4.43	7.03	7.03
Bosnia and Herzegovina	3.51	3.51	5.92	5.98	6.01	6.07	6.13	6.13
Kosovo	0	0	0	0	0	0	0	0
Macedonia	0.20	0.20	0.20	0.20	0.20	0.26	2.09	2.11
Montenegro	0.32	0.32	0.32	0.32	0.32	0.32	0.32	0.32
Serbia	2.00	2.00	2.68	4.84	5.05	6.47	18,54	29,71

Source: Authors' own elaboration on data of MOFCOM, SAFE, NBS, 2015

Each of these credit lines has been set according to different objectives and together they constitute the financial framework for the implementation of the BRI. However, whereas the positive impact of Foreign Direct Investments (FDI) has been reported by various sources (See Figure 2), the acquisition of national debt shares by Chinese state funds risks producing negative impacts in the long run in terms of states' debt accumulation and debt interests (Stumvoll & Flessenkemper, 2018; Hurley et al., 2018).

According to Jakóbowski (2015), during the period 2011-2014, a credit line of EUR 10 billion was dedicated to the development of infrastructure and, in particular, to the construction of the Bar-Boljare motorway in Montenegro; the Mihajlo Pupin Bridge in Belgrade; and the Stanari thermal power plant in Bosnia and Herzegovina. The last publication of the European Investment Bank affirms that since 2013 China has invested almost EUR 7.8 billion in the region, particularly for the development of several projects in the fields of transport, energy, and technology. According to the report prepared by Bastian (2017) for the European Bank of Reconstruction and Development (EBRD), China dedicated almost EUR 8 billion to the development of the only Balkan Silk Road (from Piraeus to Budapest) investing in four countries: Greece, North Macedonia, Bosnia and Herzegovina, and Serbia. Despite divergences regarding the total volume of investments, it is interesting to note that the majority of funds are loans, which mean that sooner or later countries will have to pay them back. Moreover, it is important to highlight that in most cases, the awarded contractors of the projects are Chinese companies, as are the credit providers. This demonstrates that the direct benefits of the projects mostly remain in the hands of Chinese companies, largely limiting the spill over effects on domestic economic systems.

Comparing EU Initiatives and China's 'Going Out' Vision

According to the BRI's spatial and territorial vision, the WBR should become the trait d'union between China and the EU. In this light, it is worth comparing the way the EU and China approach the WBR to identify potential convergences and divergences and, in turn, to bring to light potential synergies and clashes. This section compares how the EU and China approach the WBR through the EU Integration process and the implementation of the BRI (respectively) according to five main categories (Table 3): vision, approach, priorities, investment sectors, and implementation.

The first category concerns strategic vision and how the WBR is seen from a geopolitical, geo-economic, and geostrategic viewpoint. From this perspective, there seems to be a substantial divergence between the EU and China. China's 'going out' strategy is profoundly characterised by a top-down approach whereby China establishes the main objectives as well as the rules of the game; partners are rarely included in the process of vision-making. In contrast, the EU is promoting a more Euro-centric perspective, putting a more open market system and the full integration of the continent at the centre of its vision. Being at the centre of this international dispute can negatively influence the WBR's economic performance, turning it into a transit region for goods and resources with the risk of distancing itself from the EU Integration path.

The second category of analysis refers to the adopted approach and the types of influence involved in the process. In this respect, the EU and China seem to follow rather different paths in terms of adopted agreements (multilateral versus bilateral), economic conditionality (co-financing versus loans), and political conditionality (political stability versus divide et impera). Chinese pragmatism in international relations favours bilateral agreements over multilateral platforms in order to accelerate the implementation of the BRI. Meanwhile, EU institutions privilege complex multilateral arenas to create consensus. In this sense, the main risk for the Balkans is to remain stuck within a number of international disputes that can slow down the integration process. The third category refers to the priorities of the players in the game. Here, China and the EU show very different political, economic, social, and environmental concerns. Whereas the EU promotes particular attention to environmental sustainability through the conditions and regulations specified in its Treaties, China pays no particular attention to the preservation of the environmental quality and does not seem concerned by the impact of its investments on local communities and/or their social consequences (Tonchev, 2017; Tracy et al., 2017). At the same time, both players agree on the importance of the economic growth of the region and its capacity to convey goods and resources towards wealthier EU regions.

The fourth category focuses on the different investment sectors. First of all, both players agree on the importance of infrastructure development in the Balkans; the Orient-East Med corridor planned by the EU's Trans-European Transport Network (TEN-T) coincides with the BRI's Balkan Silk Road segment and the general ideals for the main development trajectories in the region seem to coincide. In this sense, the recently signed "Memorandum of understanding on establishing a Connectivity Platform between the EU and China" (2015) marks an opportunity to strengthen the synergies between the BRI and the TEN-T. Divergences emerge, however, in relation to the fields of energy and industrial development. While the EU is promoting an eco-friendly and sustainable use of resources by financing renewable energy provisions, China is still funding coal power plants such as the Kakanj plant in Bosnia and Herzegovina. Moreover, whereas the EU promotes local research and innovation through specifically dedicated programmes throughout the WBR, China focuses on the acquisition of local innovative industries, provoking unintended consequences in terms of the desertification of the domestic industrial environment.

Finally, the last category explores implementation mechanisms. Here evident divergences emerge in relation to management, financial mechanisms, and environmental and social standards. The majority of Chinese projects are awarded to Chinese companies through rather opaque selection processes, which means using Chinese contractors, suppliers, workers, and materials (EIB, 2018), whereas the EU procurement package clearly establishes how tenders should be conducted, respecting principles of transparency and open-access.

In sum, while the EU seems to aim at the systematic social, economic, political, and environmental integration of the WBR, China's approach appears to focus more on guaranteeing infrastructural continuity along the BRI, paying scarce attention to the sustainable and inclusive development of the region. In this sense, whereas the EU approach seems to be the best chance for the WBR to achieve social, economic, and territorial cohesion, China's BRI contributes almost exclusively to the WBR's infrastructural integration and in a shorter time frame. Overall, the coexistence of these two regional development approaches may lead to negative externalities in terms of WBR countries' credibility and political and economic instability.

Concluding Remarks and Future Research Prospects

The article addresses the question of whether China is a credible alternative to or supports the integration of the WBR into the EU. This raises a series of considerations concerning the role of the EU and China in the region and, in particular, the economic,

Table 3. Similarities and differences of European and Chinese interventions in the Western Balkan Region

	Factors	Convergent, Divergent, or Neutral	European Union	China	Opportunities and risks for the WBR
Vision	Geo-political	Divergent	Complete the EU Integration Process	Implementation of the 'Going out strategy'	This geo political dispute may slow down the EU integration process for the WBR
	Geo-economic	Divergent	Pro open-market	State oriented market	Risk of increasing negative economic trade balance
	Geo-strategic	Divergent	EU -centric Continental vision	China-centric Global vision	Risk for the WBR to become a 'land of transit' of resources
Approach	Nature of agreements	Divergent	Preferable multilateral	Combination of unilateral/multilateral	Political ambiguity where emerged personal interests and corruption
	Economic conditionality	Divergent	By promoting market continuity and EU investments	Loans and investments	Balkans countries may benefit from those external investments (attention of the debt trap)
	Political conditionality	Divergent	The EU aims at guaranteeing political stability	Divide et impera' strategy	Political representatives are being attracted by the China pragmatism in the field of investment by losing sight its political implications
Priorities	Political	Neutral	Integration of the Balkans to the EU	To guarantee the implementation	The Balkans may benefit from the opportunity offered by the BRI only if its implementation can facilitate the EU Integration process
	Economic	Convergent	Improvement of market economy indicators in the region	China agrees on the develop of WBR	Positive effects on regional economic performance
	Social	Neutral	Increasing of social well-being	No specific indication	Risk to underestimate the social effects of China's investments
	Environmental	Divergent	Protection of natural resources	Overexploitation of natural resources	Serious environmental risks
Investment sectors	Infrastructure	Convergent	Increasing connectivity in the WBR	Balkans Silk Road	WBR can benefit from the potential synergy of TEN-T and BRI
	Energy	Divergent	Renewable energy	Carbon based energy	Increasing risk of overexploitation of natural resources and air pollution
	Industry	Divergent	Creating positive innovation based industrial policies	Acquisition of the best innovative industries	Desertification of innovative industrial environment
Implementation	Management	Divergent	Transparency and public procurement	Not transparency mechanism	Lack of market competition, limit spill over effects, increasing corruption etc.
	Financial Mechanism	Divergent	Co-financing mechanisms	Top down financial instruments	Risk of increasing of state debt
	Environmental Standards	Divergent	Stringent regulations and standards	Scarce attention to environmental issues	Risk of over exploration of natural resources
	Social Standards	Divergent	Social cohesion	No particular importance has been given to this issue	Underestimating the potential social impacts of project implementation due to the top-down approach adopted

Source: Authors' own elaboration

political, social, and environmental consequences they may provoke. Since the beginning of the 2000s, all Balkan countries have been involved in the EU Integration process. Despite the important progress made, the majority of countries are still struggling with the transposition of the acquis communautaire (Berisha, 2018) and their respective institutional arrangements.

While there seems to be no chance of joining the EU before 2025-2030 (European Commission, 2018), the remaining Western Balkan countries are looking for alternative political alliances and economic opportunities (also as a consequence of the growing instability that characterises the overall European project) (Jones et al., 2016). Doubtless, the increasing geopolitical action of China is attracting more and more interest. In particular, the BRI places the WBR in high regard due to its location between Western Europe and China. This ensures important economic incentives and unprecedented infrastructure development for the region, representing a tempting alternative to the EU initiatives.

As recognized by Stumvoll and Flessenkemper (2018), China is moving into a structural development gap and is meeting real investment needs in the region, a dynamic that the EU has been slow to acknowledge. Whereas China does not seem to have any explicit intention to interfere with the process of EU Integration (being rather interested in the overall stability of the Western Balkans), there are four elements that support the argument that China is not facilitating the integration of the WBR into the EU. First, the EU Integration process is not a priority for China, hence there is no explicit initiatives in this direction. Secondly, from a political point of view, no common EU-China agenda for the WBR has been developed; China is rather seen as an alternative partner to the EU. Thirdly, from an economic perspective, China's investments are mostly oriented to the benefit of Chinese actors and pay scarce attention to the actual impact of projects on local beneficiaries. Finally, yet importantly, there are considerable differences between Chinese and European approaches in dealing with the development of the region.

However, since several divergences emerged between the two approaches, perhaps China could facilitate the WBR's integration into the EU. This ambiguity forces the countries of the WBR to make some important choices. Should domestic authorities privilege the EU Integration path or allow themselves to be fascinated by China? Should they conform to the conditions imposed by EU laws, norms, and regulation in terms of transparency, standards, and public procurement or follow the more pragmatic mechanisms attached to Chinese investments? Until the EU is no longer the biggest investor in the region, to follow this former path seems to be the safest bet. Similarly, it is the path that ensures the most benefits to the domestic actors involved, as the requirements and conditions put in place by the EU will contribute to increase both the internal coherence of the WBR, as well as the embeddedness of the latter within the broader European scenario.

For this to happen, the EU should increase its commitment towards the integration of the region. While this has been already argued in a number of official communications (e.g. President Tusk's remarks after the EU-Western Balkans Summit in May 2018),[5] concrete actions should follow in at least three directions. Firstly, additional investments, specifically tailored to the needs of the region, should be introduced in order to counterbalance Chinese investments and further strengthen the appeal of the integration process. An important step in this direction has already been made with the introduction of the Western Balkan Investment Framework – Infrastructure Project Facility (WBIF – IPF7), constituting one of the largest pillars for infrastructure investments in the WBR. At the same time, these additional investment tools should start targeting the whole region instead of single countries, thereby fostering further cooperation and integration among countries and territories and favouring the development of a joint vision for the territorial development of the WBR within the EU. Finally, the accession process should be accelerated, especially for those countries that are currently lagging behind (Bosnia and Herzegovina and Kosovo, for example). If there are further delays in the Integration process, an increase in China's economic influence in the region could represent a slowdown factor, potentially triggering episodes of de-europeanisation in the long run.

Notes

1. For the purpose of this article, the Western Balkan Region includes Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia.
2. China's annual foreign direct investment in Europe grew from USD 840 million in 2008, to USD 42 billion in 2017 (Le Corre, 2018).
3. The countries involved in the 16+1 Initiative are: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Czech Republic, Estonia, Lithuania, Latvia, Macedonia, Romania, Serbia, Slovakia, Slovenia, Hungary, and Poland (Góralczyk, 2017).
4. In this sense, Liu (2015) affirms that more than 80% of Chinese products are exported to Europe through shipping while land transportation is still in its initial stages.
5. Available at: https://www.consilium.europa.eu/en/press/press-releases/2018/05/17/remarks-by-president-donald-tusk-after-the-eu-western-balkans-summit/

References

Adams, N., Cotella, G. & Nunes, R., eds., 2011. *Territorial Development, Cohesion and Spatial Planning. Knowledge and Policy Development in an Enlarged EU*. London and New York: Routledge.

Bastian, J., 2017. *The Potential for Growth through Chinese Infrastructure Investments in Central and South-Eastern Europe along the Balkan Silk Road*. EBRD.

Berisha, E., 2018. *The Evolution of Spatial Planning Systems in the Western Balkan Region. Between International Influences and Domestic Actors* (PhD dissertation), Politecnico di Torino, Italy. [Online] Available at: http://hdl.handle.net/11583/2707105 [Accessed 17 October 2019].

Cai, P., 2017. *Understanding China's Belt and Road Initiative.* Lowy Institute for International Policy. [Online] Available at: http://hdl.handle.net/11540/6810 [Accessed 17 October 2019].

Cotella, G., 2007. Central Eastern Europe in the Global Market scenario: Evolution of the System of Governance in Poland from Socialism to Capitalism. *Journal fur Entwicklungspolitik*, 23(1), pp. 98-124.

Cotella, G., 2014. Spatial Planning in Poland between European Influences and Dominant Market Forces. In M. Reimer, P. Getimis, & H.H. Blotevogel, eds. *Spatial Planning Systems and Practices in Europe: A Comparative Perspective on Continuity and Changes*. London: Routledge. pp. 255-277.

Cotella, G., Neil, A. & Nunes, R., 2012. Engaging in European Spatial Planning: A central and Eastern European Perspective on the Territorial Cohesion Debate. *European Planning Studies* 20(7), pp. 1197-1220.

Director General for Internal Policies, 2018. *The Effectiveness and Visibility of EU funding in the Western Balkan Countries with a Special Focus on the Cross-Border Cooperation*. Policy Department for Budgetary Affairs. [Online] Available at: https://op.europa.eu/en/publication-detail/-/publication/0aa7ea09-af6e-11e8-99ee-01aa75ed71a1 [Accessed 17 October 2019].

Djankov, S., 2016. The Rationale behind China's Belt and Road Initiative. In S. Djakov & S. Miner, eds. *China's Belt and Road Initiative, Motives, Scope and Challenges.* Peterson Institute for International Economics, PIIE Briefing 16(2), pp. 6-11.

Eder, Th., 2018. *Mercator Institute for China Studies*. [Online] Available at: https://www.merics.org/en/bri-tracker/mapping-the-belt-and-road-initiative [Accessed 28 October 2019].

European Commission, 2015. *The Transformative Power of Enlargement. Luxembourg: Publications Office of the European Union*. EU. [Online] Available at: https://publications.europa.eu/en/publication-detail/-/publication/18a7ff84-fbba-11e5-b713-01aa75ed71a1/language-en [Accessed 17 October 2019].

European Commission, 2018. *A Credible Enlargement Perspective for and Enhanced EU Engagement with the Western Balkans*. Luxembourg: Publications Office of the European Union. [Online] Available at: https://op.europa.eu/en/publication-detail/-/publication/e3f0797b-28cb-11e8-b5fe-01aa75ed71a1/language-en/format-PDF [Accessed 17 October 2019].

European External Action Service, 2017. *Factsheet: EU Engagement in the Western Balkans*. EEAS.

European Investment Bank, 2018. *Infrastructure Investment in the Western Balkans: A First Analysis*. The EIB Economics Department.

Hurley, J., Morris, S. & Portelance, G., 2018. Examining the Debt Implications of Belt and Road Initiative from a Policy Perspective. *CGD Policy Paper n.121*, Centre for Global Development, Washington DC, March.

Furceri, D. & Zdzienicka, A., 2011. The Real Effect of Financial Crises in the European Transition Economies. *Economics of Transition*, 19(1), pp. 1-25.

Grieger, G., 2016. *One Belt, One Road (OBOR)*. China's Regional Integration Initiative. European Parliamentary Research Service.

Jakóbowski, J., 2015. *China's Foreign Direct Investments within the '16+1' Cooperation Formula: Strategy, Institutions, Results.* Centre for Eastern Studies, Number 191.

Jones E., Kelemen R. D. & Meunier S., 2016. Failing forward? The Euro crisis and the Incomplete Nature of European Integration. *Comparative Political Studies*, 49(7), pp. 1010-1034.

Le Corre, P., 2018. *On Chinese Investment and Influence in Europe*. [Online] Available at: https://carnegieendowment.org/2018/05/23/on-chinese-investment-and-influence-in-europe-pub-76467 [Accessed 28 October 2019].

Liu, Z., 2015. *Europe and the Belt and Road Initiative: Responses and Risks.* Beijing: China's Social Sciences Publishing House.

Pu, X., 2016. *One Belt, One Road*. Visions and Challenges of China's Geoeconomic Strategy. [Online] Available at: https://www.academia.edu/30288291/One_Belt_One_Road_Visions_and_Challenges_of_China_s_Geoeconomic_Strategy [Accessed 17 October 2019].

Tonchev, P., 2017. *China's Road: Into the Western Balkans.* EU Institute for Security Studies.

Tracy, E., Shvarts, E., Simonov, E. & Babenko, M., 2017.*China's new Eurasian Ambitions: the Environmental Risks of the Silk Road Economic Belt.* Eurasian Geography and Economics. Routledge.

Stumvoll, M. & Flessenkemper, T., 2018. *China's Balkans Silk Road: Does It Pave or Block the Way of Western Balkans to the European Union?* CIFE Policy Paper N. 66.

Disclosure statement

No potential conflict of interest was reported by the author.