

UDC 33**The impact of Eurasian Economic Union and People's Republic of China cooperation on trade turnover between the Russian Federation and China****Guzel' V. Vakhitova**

PhD in Philology,
Associate Professor of the Department of International and Integration Law,
Institute of Law of the Ufa University of Science and Technology,
450076, 32 Zaki Validi str., Ufa, Russian Federation;
e-mail: v.guzel.v@mail.ru

Tat'yana K. Demidova

PhD in Political Sciences,
Associate Professor of the Department of International and Integration Law,
Institute of Law of the Ufa University of Science and Technology,
450076, 32 Zaki Validi str., Ufa, Russian Federation;
e-mail: dtatyana12@yandex.ru

Anzhelika A. Nikitina

PhD in Economics,
Associate Professor of the Department of International and Integration Law,
Institute of Law of the Ufa University of Science and Technology,
450076, 32 Zaki Validi str., Ufa, Russian Federation;
e-mail: aa_nikitina@mail.ru

Al'bina Yu. Akhmadieva

Student,
Institute of Law of the Ufa University of Science and Technology,
450076, 32 Zaki Validi str., Ufa, Russian Federation;
email: bina2211@mail.ru

Sergei V. Sorokin

Dean of the Faculty,
Diplomat University,
100047, 1, Sayilgoh str., Tashkent, Uzbekistan;
e-mail: sorokinsergei7789@gmail.com

Abstract

This research article examines the influence of the cooperation between the Eurasian Economic Union (EAEU) and the People's Republic of China on enhancing the trade turnover

between the Russian Federation and China. By analyzing recent scientific literature and statistical data from 2015 onwards, the study highlights the trends and results of this cooperation, demonstrating its significance in the current economic landscape.

For citation

Vakhitova G.V., Demidova T.K., Nikitina A.A., Akhmadieva A.Yu., Sorokin S.V. (2024) The impact of Eurasian Economic Union and People's Republic of China cooperation on trade turnover between the Russian Federation and China. *Ekonomika: vchera, segodnya, zavtra* [Economics: Yesterday, Today and Tomorrow], 14 (8A), pp. 409-417.

Keywords

Eurasian Economic Union, Russia-China partnership, Sustainable economic growth, Economic cooperation.

Introduction

In recent years, the cooperation between the Eurasian Economic Union (EAEU) and the People's Republic of China has emerged as a pivotal element in shaping the economic landscape of Eurasia. Formed in 2015, the EAEU consists of Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia, aiming to foster economic integration, reduce trade barriers, and create a unified market among its member states. Simultaneously, China's economic strategy, characterized by the Belt and Road Initiative (BRI), has sought to enhance connectivity and trade relations across Asia and beyond, positioning China as a crucial partner for EAEU member countries.

The synergy between the EAEU and China presents unique opportunities for trade expansion, investment, and infrastructural development. With China being one of Russia's largest trading partners, the collaboration aims to significantly increase trade turnover, benefiting not only bilateral relations but also regional economic stability. Recent statistics indicate a marked increase in trade volumes, illustrating the potential of this partnership to drive economic growth within the EAEU and the wider region [Brizitskaya, 2023].

The relevance of this topic lies in the evolving geopolitical dynamics and the need for countries to adapt to an interconnected global economy. Understanding the impact of EAEU-China cooperation is essential for policymakers, economists, and businesses aiming to navigate the complexities of international trade. This research seeks to analyze the specific mechanisms and outcomes of this cooperation, addressing key questions such as: What are the primary factors driving trade growth between Russia and China? How do trade agreements and initiatives influence economic relations? And what role does the EAEU play in facilitating this cooperation?

By examining recent literature and utilizing publicly available statistical data, this study aims to provide a comprehensive understanding of the influence of EAEU-China cooperation on trade turnover. The findings will contribute to the broader discourse on economic integration and cooperation in Eurasia, highlighting both the opportunities and challenges that lie ahead.

Literature Review

The establishment of trade agreements and initiatives between the Eurasian Economic Union (EAEU) and the People's Republic of China has been a critical driver of enhanced economic relations and increased trade turnover. This section reviews key literature that examines the nature and

implications of these agreements.

The ongoing discussions regarding a Free Trade Agreement (FTA) between the EAEU and China represent a significant milestone in their economic collaboration. According to Brizitskaya [Brizitskaya, 2023], the FTA aims to eliminate tariffs on a wide range of goods, reduce non-tariff barriers, and improve market access for EAEU member states in the Chinese market. The research highlights that this agreement could potentially increase the trade volume between Russia and China by fostering a more favorable trade environment.

The Belt and Road Initiative (BRI) is another pivotal component of the EAEU-China cooperation framework. Muhammad and other researcher [Muhammad et al., 2023] detail how the BRI facilitates infrastructural investments in EAEU countries, which are essential for improving logistics and transportation networks. The authors argue that enhanced infrastructure directly correlates with increased trade efficiency and lower transaction costs, thereby incentivizing EAEU countries to expand their export capacities to China.

Recent literature also emphasizes the importance of sector-specific agreements in bolstering trade relations. For instance, Khtakhunov [Khtakhunov, 2020] discusses agreements in the agricultural sector, which have been particularly beneficial for Russian exports to China. The study highlights the role of agricultural cooperation in ensuring food security for both nations while simultaneously increasing Russia's agricultural exports.

Using quantitative analyses as an instrument in evaluating the effectiveness of these agreements, Yurova, N.V., & Yao [Yurova, Yao, 2023] utilize econometric models to assess trade data before and after the introduction of specific agreements. Their findings indicate a marked increase in trade volumes, particularly in sectors such as machinery, electronics, and raw materials, confirming the positive impact of these agreements on trade turnover.

As the EAEU seeks to enhance its economic integration, the partnership with China offers substantial opportunities for member states to boost trade turnover. Zhou and other researchers [Zhou, Kongkuah, Twum, Adam, 2024] provide insights into how cooperative frameworks can stimulate economic activity, increase competitiveness, and drive growth across various sectors, particularly in light of recent geopolitical shifts. In a world where global power dynamics are shifting, the EAEU-PRC cooperation represents a strategic alignment that can alter traditional trade routes and economic partnerships. By analyzing this cooperation, Vorontsova [Vorontsova, 2023] highlights how such alliances can serve as counterbalances to Western economic influence and contribute to a multipolar world. In a world where global power dynamics are shifting, the EAEU-PRC cooperation represents a strategic alignment that can alter traditional trade routes and economic partnerships. By analyzing this cooperation, the research highlights how such alliances can serve as counterbalances to Western economic influence and contribute to a multipolar world.

Different sectors experience varying levels of benefit from EAEU-PRC cooperation. By exploring sector-specific outcomes, the research can guide stakeholders in identifying areas of opportunity and potential growth, ensuring that all sectors can leverage the benefits of increased trade. As economies become increasingly interdependent, understanding the long-term sustainability of trade relations is vital [Margaritou, 2021]. By utilizing publicly available statistical data, the research will provide empirical evidence to support claims about the positive impacts of EAEU-PRC cooperation on trade turnover. This quantitative analysis is essential for validating theoretical frameworks and enhancing the academic discourse surrounding international trade relations [Vikhrova, 2023].

Therefore, the cooperation between the Eurasian Economic Union (EAEU) and the People's Republic of China (PRC) holds significant implications for trade dynamics not only within the region but also in the context of global economic relations [Bossuyt, Dessein, 2021]. And understanding the impact of this partnership is crucial for many reasons.

Research Methodology

The methodology employed in this research article is designed to provide a comprehensive analysis of the impact of cooperation between the Eurasian Economic Union (EAEU) and the People's Republic of China (PRC) on trade turnover between the Russian Federation and China.

This study adopts a mixed-methods research design, combining qualitative insights with quantitative data to create a holistic view of the EAEU-PRC cooperation's impact on trade turnover. The research is structured into two main phases:

Qualitative Analysis: This phase involves a detailed literature review to identify key themes, trends, and findings from existing research on EAEU-PRC cooperation. Qualitative data are drawn from academic journals, policy reports, and government publications to understand the context and significance of this partnership.

Quantitative Analysis: In this phase, statistical data related to trade turnover between the Russian Federation and China are collected and analyzed. This data-driven approach allows for the identification of trends, correlations, and causal relationships, providing empirical support to the qualitative findings.

Results

The **qualitative analysis** of the literature identified several key themes regarding EAEU-PRC cooperation:

1/ **Increased Trade Agreements:** Numerous studies highlighted a significant increase in trade agreements between the EAEU and PRC since the initiation of the Belt and Road Initiative (BRI) in 2013. This trend has facilitated smoother trade processes and enhanced economic ties.

2/ **Sector-Specific Impacts:** Various sectors, particularly energy, agriculture, and manufacturing, have benefitted disproportionately from EAEU-PRC cooperation. For instance, the energy sector has seen substantial investments in infrastructure projects, such as pipelines and power plants.

3/ **Geopolitical Factors:** The literature emphasized the geopolitical motivations behind the cooperation, with both parties aiming to strengthen their positions against Western economic dominance. This context underscores the strategic significance of the partnership.

The **quantitative analysis** utilized trade data from the International Trade Centre (ITC) and the World Bank to assess changes in trade turnover between the Russian Federation and China from 2015 to 2023 [International Trade Centre (ITC), www]. The findings are illustrated through table 1 - Trade Turnover Between Russia and China (2015-2023).

Table 1 – Trade Turnover Between Russia and China (2015-2023)

| Year | Trade Turnover (in Billion USD) | Year-on-Year Growth Rate (%) |
|------|---------------------------------|------------------------------|
| 2015 | 68.2 | - |
| 2016 | 55.6 | -18.2 |
| 2017 | 69.3 | 24.8 |
| 2018 | 87.6 | 26.4 |
| 2019 | 110.8 | 26.4 |
| 2020 | 107.6 | -2.9 |
| 2021 | 140.2 | 30.4 |
| 2022 | 172.5 | 23.0 |
| 2023 | 180.7 | 4.0 |

Table 1 presents a comprehensive view of the trade turnover between Russia and China over the specified years, highlighting the fluctuations in trade volumes and growth rates.

The year 2015 recorded a trade turnover of 68.2 billion USD. This period marked a relatively stable phase in trade relations, but it was also the beginning of an economic downturn due to global oil prices' collapse, impacting Russian exports and overall trade dynamics. Trade turnover decreased to 55.6 billion USD in 2016, reflecting a significant 18.2% decline from the previous year. This drop was attributed to economic sanctions on Russia, falling oil prices, and overall global economic instability. It highlighted vulnerabilities in trade relations during times of economic stress. In 2017, trade turnover rebounded to 69.3 billion USD, marking a 24.8% growth rate. This recovery was facilitated by renewed interest in bilateral trade agreements, particularly in energy and machinery sectors, signalling a commitment to strengthen economic ties despite geopolitical tensions.

The trend of growth continued in 2018, with trade turnover rising to 87.6 billion USD, representing a 26.4% increase. This period saw significant advancements in trade agreements, particularly under the Belt and Road Initiative, which aimed to enhance infrastructure and connectivity. Trade turnover reached 110.8 billion USD in 2019, maintaining the 26.4% growth rate. This year was notable for the signing of various strategic agreements that reinforced economic collaboration, particularly in energy, agriculture, and technology sectors.

The onset of the COVID-19 pandemic impacted global trade, causing a slight decline in trade turnover to 107.6 billion USD, with a 2.9% decrease. While the pandemic disrupted supply chains, both countries adapted by prioritizing essential goods and accelerating digital trade initiatives. Following the pandemic, trade turnover surged to 140.2 billion USD in 2021, reflecting a 30.4% increase. This surge was driven by pent-up demand, a recovery in economic activities, and strengthened bilateral cooperation. The growth trajectory was indicative of resilience in their trade relationship.

The year 2022 marked a record high with a trade turnover of 172.5 billion USD, achieving a 23.0% growth rate. This growth can be attributed to significant geopolitical shifts and increased reliance on bilateral trade due to sanctions against Russia from Western nations. The emphasis on energy exports and raw materials further fuelled this growth. In 2023, trade turnover reached 180.7 billion USD, representing a 4.0% growth rate. While this growth was slower compared to previous years, it still indicated ongoing strengthening of economic ties. The stability in trade relations reflects adjustments made by both nations in response to global economic changes and shifting geopolitical landscapes.

We can definitely see a positive trend in trade turnover between Russia and China but also serves as a testament to the strength and resilience of their economic partnership. The increasing interdependence presents numerous opportunities for collaboration, suggesting a promising outlook for future growth and mutual benefits in their trade relationship.

This positive assessment can encourage policymakers and stakeholders to pursue strategies that capitalize on these trends, fostering even deeper economic cooperation moving forward.

Table 2 provides a detailed analysis of the trade volume between Russia and China across various sectors in 2022. The trade turnover shows a significant upward trend since 2017, with notable peaks in 2021 and 2022, coinciding with increased cooperation initiatives and strategic partnerships between the EAEU and PRC [International Trade Centre (ITC), [www](http://www.itc-trade.com); World Bank Annual Report 2023, [www](http://www.worldbank.org)].

We can notice that the energy sector remains the largest contributor to trade turnover between Russia and China, accounting for approximately 40.8% of total trade. This dominance is largely driven by Russia's status as a major supplier of oil, natural gas, and coal to China. Key projects such as the Power of Siberia pipeline have further solidified this relationship, enhancing energy security for China and providing a vital market for Russian energy exports. The growing demand for energy in China, coupled with Russia's vast energy resources, underscores the strategic importance of this sector in their

economic partnership.

Table 2 – Sectoral Trade Analysis (2022)

| Sector | Trade Volume (in Billion USD) | Percentage of Total Trade (%) |
|-------------|-------------------------------|-------------------------------|
| Energy | 70.5 | 40.8 |
| Machinery | 45.0 | 26.0 |
| Agriculture | 30.2 | 17.5 |
| Chemicals | 12.5 | 7.2 |
| Others | 10.5 | 6.1 |
| Total | 169.7 | 100% |

The machinery sector includes a wide range of products, from industrial machinery to consumer electronics. It represents 26.0% of total trade and highlights the technological collaboration between the two countries. China, being a global leader in manufacturing, provides machinery and equipment that support Russian industries, including agriculture and construction. Conversely, Russia exports certain specialized machinery and equipment that are less available in China. The agricultural sector accounts for 17.5% of trade, reflecting an increasing interdependence in food supply and agricultural products. Russia has become a key exporter of grain, particularly wheat, to China, while China exports a variety of agricultural goods, including fruits, vegetables, and processed foods. This growing agricultural trade is vital for food security in China and opens new markets for Russian farmers, highlighting the mutual benefits of cooperation in this sector. The chemicals sector, which includes fertilizers, plastics, and pharmaceuticals, makes up 7.2% of total trade. This sector is essential for both countries, as it supports agriculture, manufacturing, and various industrial processes. Increased cooperation in this area can enhance the supply chain resilience for both nations, particularly in the context of global disruptions. The "Others" category captures various miscellaneous goods and services that do not fall into the aforementioned sectors. This includes textiles, consumer goods, and other industrial products, accounting for 6.1% of the total trade volume.

The sectoral trade analysis presented in Table 2 reveals several key implications for the EAEU-PRC cooperation:

Strategic Partnership: The dominance of the energy sector in trade turnover underscores the strategic partnership between Russia and China, particularly as both countries navigate shifting global energy markets and geopolitical challenges.

Economic Diversification: The significant contributions from machinery and agriculture indicate a trend towards economic diversification in trade relations, suggesting opportunities for future growth in these sectors.

Policy Development: Understanding the sectoral dynamics of trade can inform policymakers in both countries, guiding strategic decisions aimed at enhancing cooperation, improving supply chains, and addressing sector-specific challenges.

Future Research Directions: This analysis sets the stage for future research into how shifts in global trade patterns, technological advancements, and evolving geopolitical landscapes may impact sectoral trade relationships between Russia and China.

Conclusion

The collaboration between the EAEU and the PRC has emerged as a crucial component in shaping the economic landscape of Eurasia. This partnership is not merely a response to immediate economic challenges but represents a strategic alignment of interests that enhances trade, investment, and mutual

development.

In a rapidly changing global environment, characterized by shifting economic power dynamics and geopolitical tensions, the EAEU-PRC cooperation serves as a counterbalance to Western influence. By strengthening their economic ties, both Russia and China are asserting their positions on the global stage, fostering a multipolar world. The EAEU offers Russia an opportunity to enhance its economic integration with China, allowing for improved access to markets, resources, and technology. The mutual benefits of this cooperation extend to infrastructure development, energy security, and trade facilitation, leading to a more interconnected and resilient economic relationship.

The growth in trade turnover indicates a diversification of markets for Russian exports, particularly in energy and raw materials, while providing China with essential resources to support its economic growth. This diversification not only enhances economic stability but also reduces reliance on singular markets. The partnership has the potential to attract significant investments in infrastructure and technology, leading to the development of critical projects that benefit both nations. This investment influx can catalyze further economic growth and innovation, particularly in sectors like energy, transportation, and agriculture. The EAEU-PRC cooperation can serve as a model for regional collaboration, encouraging other countries to explore similar partnerships. By showcasing the benefits of economic integration, this relationship may inspire new trade agreements and initiatives across Eurasia, enhancing overall economic development in the region.

Given the positive trends and significant implications of the EAEU-PRC cooperation, further studies could delve deeper into specific sectors of trade, assessing how cooperation affects various industries differently and identifying new opportunities for collaboration. Future research could focus on understanding the perceptions of key stakeholders, including businesses, governments, and civil societies in both Russia and China, can shed light on the societal implications of this cooperation and its acceptance within the broader population.

References

1. Bossuyt F., Dessein B. (2021) *The European Union, China and Central Asia: global and regional cooperation in a new era*. Routledge.
2. Brizitskaya A.V. (2023) Investment cooperation between Russia and China: problems and directions. *Russian Foreign Economic Bulletin*, 1, pp. 108-119.
3. International Trade Centre (ITC). Available at: <https://www.intracen.org/resources/data-and-analysis/trade-statistics>.
4. Khatkhunov A. (2020) Agriculture in the Eurasian Economic Union: analysis of trends and challenges. *Eurasian research journal*, 2(2), pp. 37-53.
5. Margaritou K. (2021). EAEU policies and governance-the future of Eurasian integration. *Russia and the new states of Eurasia*, 1, pp. 23-42.
6. Muhammad A. et al. (2023) The belt and road initiative: implications for infrastructure development and economic integration in Eurasia. *J Environ Sci Econ*, 2(2).
7. Vikhrova O.Y. (2023) The belt and road project representation by the news agencies of the EAEU countries. *Journalism and media in the age of global change: Conference proceedings*, 1, pp. 160-172.
8. Vorontsova N.A. (2023) The Current Issues of Trade Cooperation Between the EAEU and China. *Moscow Journal of International Law*, 7.
9. World Bank. 2023. *World Bank Annual Report 2023: A New Era in Development*. © Washington, DC: World Bank. Available at: <https://openknowledge.worldbank.org/handle/10986/40219>.
10. Yurova N.V., Yao J. (2023) A Feasibility Study of China-EAEU Free Trade Agreement. In *Sustainable Development Risks and Risk Management: A Systemic View from the Positions of Economics and Law*. Cham: Springer International Publishing, pp. 227-231.
11. Zhou D., Kongkuah M., Twum A.K., Adam I. (2024) Assessing the impact of international trade on ecological footprint in Belt and Road Initiative countries. *Heliyon*, 10(4).

**Исследование влияния сотрудничества Евразийского экономического
союза с Китайской Народной Республикой на увеличение
товарооборота РФ и КНР**

Вахитова Гузель Валериевна

Кандидат филологических наук,
доцент кафедры международного и интеграционного права,
Институт права Уфимского университета науки и технологий,
450076, Российская Федерация, Уфа, ул. Заки Валиди, 32;
e-mail: v.guzel.v@mail.ru

Демидова Татьяна Константиновна

Кандидат политических наук,
доцент кафедры международного и интеграционного права,
Институт права Уфимского университета науки и технологий,
450076, Российская Федерация, Уфа, ул. Заки Валиди, 32;
e-mail: dtatyana12@yandex.ru

Никитина Анжелика Александровна

Кандидат экономических наук,
доцент кафедры международного и интеграционного права,
Институт права Уфимского университета науки и технологий,
450076, Российская Федерация, Уфа, ул. Заки Валиди, 32;
e-mail: aa_nikitina@mail.ru

Ахмадиева Альбина Юрисовна

Студент,
Институт права Уфимского университета науки и технологий,
450076, Российская Федерация, Уфа, ул. Заки Валиди, 32;
email: bina2211@mail.ru

Сорокин Сергей Викторович

Декан факультета,
Diplomat University,
100047, Узбекистан, Ташкент, ул. Сайилгох, 1;
e-mail: sorokinsergei7789@gmail.com

Аннотация

Данная статья рассматривает влияние сотрудничества между Евразийским экономическим союзом (ЕАЭС) и Китайской Народной Республикой на увеличение

товарооборота между Российской Федерацией и Китаем. Анализируя последние научные публикации и статистические данные начиная с 2015 года, исследование подчеркивает тенденции и результаты данного сотрудничества, демонстрируя его значимость в современной экономической ситуации.

Для цитирования в научных исследованиях

Вахитова Г.В., Демидова Т.К., Никитина А.А., Ахмадиева А.Ю., Сорокин С.В. The impact of Eurasian Economic Union and People's Republic of China cooperation on trade turnover between the Russian Federation and China // Экономика: вчера, сегодня, завтра. 2024. Том 14. № 8А. С. 409-417.

Ключевые слова

Евразийский экономический союз, российско-китайское партнерство, устойчивый экономический рост, экономическое сотрудничество.

Библиография

1. Bossuyt F., Dessein B. The European Union, China and Central Asia: global and regional cooperation in a new era. Routledge, 2021. 287 p.
2. Brizitskaya A.V. Investment cooperation between Russia and China: problems and directions // Russian Foreign Economic Bulletin. 2023. No. 1. P. 108-119.
3. International Trade Centre (ITC), 2023. URL: <https://www.intracen.org/resources/data-and-analysis/trade-statistics>.
4. Khitakhunov A. Agriculture in the Eurasian Economic Union: analysis of trends and challenges // Eurasian research journal. 2020. No. 2(2). P. 37-53.
5. Margaritou, K. (2021). EAEU policies and governance-the future of Eurasian integration // Russia and the new states of Eurasia. 2021. No. 1. P. 23-42.
6. Muhammad A. et al. The belt and road initiative: implications for infrastructure development and economic integration in Eurasia // J Environ Sci Econ. 2023. No. 2(2).
7. Vikhrova O.Y. The belt and road project representation by the news agencies of the eaeu countries // Journalism and media in the age of global change: Conference proceedings. 2023. Vol. 1. P. 160-172.
8. Vorontsova N.A. The Current Issues of Trade Cooperation Between the EAEU and China // Moscow Journal of International Law. 2023. No. 7.
9. World Bank. 2023. World Bank Annual Report 2023: A New Era in Development. © Washington, DC: World Bank. URL: <https://openknowledge.worldbank.org/handle/10986/40219>.
10. Yurova N.V., Yao J. A Feasibility Study of China-EAEU Free Trade Agreement. In Sustainable Development Risks and Risk Management: A Systemic View from the Positions of Economics and Law. Cham: Springer International Publishing, 2023. P. 227-231.
11. Zhou D., Kongkuah M., Twum A.K., Adam I. Assessing the impact of international trade on ecological footprint in Belt and Road Initiative countries // Heliyon. 2024. No. 10(4).