

THE CASPIAN FACTOR AND THE PATH TO CHINA-CENTRAL ASIA DIALOGUE (C+C5)

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Abstract

The Caspian region is a key region of the world, both in terms of its transport and logistics capabilities, and in terms of influence on the formation of international energy security. The destruction of the rich and fragile ecosystem of the Caspian Sea has brought certain risks and challenges to the development of the Caspian region, so the main task facing the Caspian countries is the necessary balance of providing mineral deposits, transporting hydrocarbons, and protecting the unique ecosystem of the Caspian Sea. The resource and logistics potential of the Caspian Sea has attracted the attention of such large countries and participants as America, the European Union, Russia, Turkey, Iran and China. In particular, the development of close cooperation with the countries of the region has acquired significant relevance for Russia in the context of the maritime doctrine, focused on economic and geopolitical consolidation in the region. In the context of the One Belt One Road strategy, China has implemented several projects in the region and proposed a C + C5 model structure to replace America's ("C5 + 1") structure, giving a new impetus to the existing political interaction between China and Central Asian countries within the framework of the Shanghai cooperation organizations.

Keywords: Caspian region, energy security, Central Asian countries, geopolitics, world powers in Central Asia, Belt and Road, C+C5, Shanghai Cooperation Organization

INTRODUCTION

The essence of the problem is how to create a favorable geopolitical environment, weaken the adverse geopolitical influence and transform geopolitical relations into geo-economic cooperation, is an important part of the country's diplomatic strategy. The Caspian region is the most closely intertwined strategic game and the interests of major powers around China, has a special geohub status, and is rich in energy and mineral resources. are of unprecedented geostrategic and economic importance. Strengthening cooperation between China and Central Asia has far-reaching implications for maintaining regional security, diversifying energy imports and exports, securing westward transport routes, and promoting shared prosperity.

The purpose of the study stems from the relevance of the topic, which is a comparative study of the policies of China and other powers in Central Asia, and the project cooperation of the PRC with the Caspian region within the framework of One Belt, One Road, C + C5 to achieve regional sustainability.

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The importance of research. The Caspian region every year acquires an important geo-economic and strategic importance for the People's Republic of China. In turn, for the countries of Central Asia, China is a key trading partner and investor, whose role is growing every year. Political and trade and economic cooperation between China and the Central Asian states is developing steadily, experience of interregional cooperation has been accumulated, which indicates the relevance of the topic of the article in a broad sense.

The political relevance of the topic is associated with the rapid rise of China in the international arena. The PRC today is already the second economy in the world, its international positions are taken into account everywhere in the world, which determines the relevance of the Chinese factor in the Central Asian countries as well. China's interests cover wide geographical areas and practically all spheres of human activity, while the energy, trade, economic, transport and logistics section of Chinese interests is mainly focused on the Eurasian space and specifically, on the Caspian region.

The scientific relevance of the topic is justified by the insufficient study of China's foreign policy in relations with the states of Central Asia, and the studies poorly show their role and place in the structural projects of the One Belt, One Road (OBOR). The comparative context of cooperation between the Central Asian countries and the PRC and the identification of the potential of these ties indicates the need for a deeper study.

The international and political relevance of the topic is explained by new signs of fierce competition between global powers, whose economy is based on the possession of energy resources and on the growth of their consumption, which leads to increased conflict in the world. The complex transformation of the system of international relations actualizes modern threats to energy security, which is reflected in the national foreign policy strategies of the countries under consideration.

At this stage, the epochal background and international environment of economic cooperation between China and the countries of the region have undergone major changes. In connection with the holding by the Chinese side of the summit dedicated to the 30th anniversary of the establishment of diplomatic relations between China and the five countries of Central Asia, "Join hands to build a closer Chinese-Central Asian community of common destiny." The initiative puts forward the general idea and the main way of coordinating the relationship between security and development in a new era, seizing opportunities and promoting the qualitative development of the economy.

Theoretical and methodological foundations of the study

In the study of the topic, the author adhered to the principle of scientific academic ethics, consistency and the desire for objectivity of the issues under consideration, a critical and balanced approach to the results of previous studies. Among the main theoretical approaches that guided the author are geopolitical concepts about the influence in the broad sense of the concept of geographical relief on the "fate of the state" and in the narrow sense - the regional neighborhood of various actors with coinciding or close energy interests.

Geography and space serve as the basic method for substantiating and interpreting communication and transport and logistics links that ensure the energy interests of the countries under study, that is, there is a theoretical and methodological basis for studying direct and feedback relationships between the properties of a territory and the balance (rivalry or cooperation) of force fields in the global sphere. energy. The classical paradigm of

confrontation between Land and Sea, according to A. Mahan and G. Mackinder. In modern conditions, a new paradigm for the development of new spaces has arisen, due to technological and informational progress. Territorial expansion today means confrontation for raw materials ("raw material expansion"). Within the framework of the chosen approach, the most relevant for achieving the goal and objectives of our work is the theory of political neorealism, which is based on the principles of national interest and the balance of power according to Henry Morgenthau. Theoretical developments of structural realism in world politics by Kenneth Waltz served as a methodological basis for system analysis and explanation of national strategies to ensure energy security. The study takes into account the neoliberal Western view of well-known political scientists and strategists in the field of global and regional politics in modern international relations with an emphasis on energy dominance and determining the place and role of China and the Central Asian region on the new Silk Road: G. Kissinger, Zb. Brzezinski, M. Swain and E. Tellis, Frederick Starr and others.

Morton Kaplan's systematic approach in the field of research on the energy factor in international politics is considered one of the ways to study energy-resource states and predict their interaction in the future. Based on the concept of "the structure of the world according to the transformation of the international structure associated with turbulence" (or structural realism), we consider modern trends in world politics through the prism of the energy interests of the Central Asian countries and China. Despite the fact that the proposed approaches of Kaplan and Waltz appeared more than forty years ago, the latest processes - the erosion of the sovereignty of states, the globalization of the economy, etc. - can be analyzed through the basic postulates of structural realism and neorealism, and the theory itself retains significant heuristic potential. Elements of structuralism and structural-functional analysis of M. Kaplan, as well as Buzan B. and Weiver O. were used in the analysis of the influence of the international system on the behavior of states, on their relationship in resolving controversial issues on energy issues.

Paying attention to the system of "balance of power" in the activities of regional and extra-regional players in Central Asia, the causes are identified and policies in the field of energy resources are compared, prospects are assessed and forecasts are given for the result. This approach is especially important when studying the energy field of Eurasia and in the Central Asian sub-region, where there are many foreign and transnational companies with different principles and interests.

The applicability of the research methods of the American scientist Karen A. Mingst and the work "Fundamentals of International Relations" are taken into account. It is possible to implement the methodology and empirical practices tested by time and experience in this study and, on their basis, conduct a comprehensive analysis, find new solutions to specific problems of the relationship between China and the countries of Central Asia.

At the same time, the theoretical studies and methods of Chinese scientists involved in international politics and world energy are specific and practical, for example, Guan Qingyu explores the logic of oil in the context of China's energy security, developing a modeling theory for the international system and acceptable forms of relationships between energy resource states and their consumers. Huang Yasheng offers a rethinking of the systemic ties of "capitalism with Chinese characteristics", where there is pragmatism, and the idea, and the ideological justification of energy resources. Chinese scientists introduce into their research

new methods of "game analysis" in the analysis of multilateral relations (Jiang Li, Gao Zhigang).

Not without interest is the conceptual formulation of the question of the growth of China's power, its ambitions of regional dominance and the use of the SCO mechanisms in its own interests, expressed in one book "Central Asia: a view from Washington, Moscow and Beijing" by three different authors - Zhao Huasheng (PRC), Ye. Rumer (USA), D. Trenin (Russia). Original views from three different country perspectives reveal the trends of the modern geopolitical "game" in Central Asia. This is one of the first works of this kind, where the authors acknowledged the impossibility of obtaining an unambiguous answer, especially on the question of with whom and when rivalry will intensify in Central Asia. Their attention is focused on the competition between Russia and Chinese hegemony, but without the US, and "in the long term, the possibility of China replacing Russia in Central Asia as the dominant external power is quite high. The chances of other countries (for example, Turkey or Iran) are negligible."

To solve a set of problems, general scientific and special research methods were used, typical for political and social sciences, acceptable for the analysis of international relations. Comparative and statistical analysis, methods of synthesis, deduction and induction, analogies, generalizations and descriptions made it possible to intensify the process of cognition from the general to the particular and consider the influence of the energy component on world politics. The Fundamentals of Qualitative Analysis by Anselm Straus and Juliet Corbin were adopted as a guide in the study of problematic subjects from a sociological point of view of the article. By systematizing empirical data and a systemic approach as a whole, trends in the energy policy pursued by various actors in Central Asia have been identified. Using the methods of analogy and comparative studies, a trend of convergence of positions and an increase in interrelations in relations between China and the countries of Central Asia has been revealed.

Appeal to the historical method and chronology made it possible to consider the evolution of political and economic processes in the countries of Central Asia and the formation of special regimes in the new states of the CIS, which have rich resources. Without considering a period that is more than thirty years old, it is difficult to define and assess the fundamental changes in relations between China and Central Asia, identify trends and make forecasts for the medium and long term. From here, a predictive analysis follows in the work, which made it possible to identify the most typical trends in the development of China's relations with Central Asia on the economic belt of the Silk Road and to model the future of the geopolitical situation in the region and the changing interests of external players in the resource and energy sector.

Using the method of generalizations, the general properties and features of the main international political, regional processes and policies of China and other actors in the energy (hydrocarbon) sphere of Central Asia are established. In the course of studying China's ties with the countries of Central Asia, the traditional method of describing, identifying qualitative assessments of the relationship between the subjects of energy action was used.

The above methods, supported by special theories, helped to study the main (basic) trends in the formation of national energy strategies of the PRC, Central Asia and in their mutual relations; to formulate predictive conclusions about the future development of Chinese-Central Asian relations, including the energy sector.

1. Energy and resource potential in the Caspian region

Today, the Caspian region is a key region of the world, both in terms of its transport and logistics capabilities, and in terms of influence on the formation of international energy security. But besides this, after 22 years of negotiations, on August 12, 2018, five coastal states signed the "Convention on the Legal Status of the Caspian Sea", which opens up new opportunities for the extraction of oil and gas resources and the construction of new transboundary pipelines.



Figure 1 Convention on the Legal Status of the Caspian Sea

Source: Freshfields Bruckhaus Deringer, *The new Convention on the Legal Status of the Caspian Sea: New Opportunities and New Challenges* // <https://www.lexology.com/library/detail.aspx?g=15b877d4-8b54-48c5-9073-df44d93059a8>

Despite the relatively small share of the Caspian Basin in the global energy supply, accounting for 3.4% of the total supply of crude oil and 5.9% of the global supply of natural gas[1], its importance as a global alternative source of hydrocarbon resources is growing in connection with current geopolitical events. In addition, oil and natural gas revenues play a vital role in the region's economies.

Kazakhstan is the largest economy in the region. Its main resources are hydrocarbons. In 2020, crude oil accounted for 49.6% of the country's exports, the value of which is 25.2 billion US dollars[2]. In addition, the country also exports liquefied petroleum gas (exports amounted to 5.18%) and other resources such as refined copper and petroleum products. In the economy of Kazakhstan, there is a clear dependence and reliance on hydrocarbon resources[3]. In 2018, the country ranked twelfth in the world in terms of oil production and second in the Eurasian region. Kazakhstan is still an oil producing state with untapped opportunities[4].

Turkmenistan is a country with the fourth largest natural gas reserves in the world, estimated at 265,000,000 trillion cubic feet in 2015[5]. The country can significantly increase production and reach its full potential, but infrastructure and regional problems hinder the development of

the state: in 2015, 6.923 trillion cubic feet were produced. Most of the natural gas produced is used for domestic consumption due to the lack of infrastructure. According to the ECO, in 2020, the volume of exports of liquefied petroleum gas amounted to 5.31 billion US dollars[6].

2. Ensuring the environmental safety of the Caspian region

The Caspian region is developing in the face of certain risks and challenges, among which one of the important issues is the destruction of the rich and fragile ecosystem of the Caspian Sea.

The unique largest body of water in the world - the Caspian Sea and its coast has long been in a critical state in terms of ecology. The ecosystem of the Caspian region is deteriorating and under stress due to oil and gas production, transportation and industrial production, socio-economic problems of the population of coastal states, as well as climate change.

The ecology of the sea is under threat due to several problems:

1. Environmental pollution of the Caspian Sea. The main source of water for this sea is the Volga River. More than 8 km³ of waste enters the sea. The Volga River is the main river supplying about 80% of the water of the Caspian Sea, and 95% of the chemical pollution of this sea was caused by its waste. Almost 90% of petroleum hydrocarbons entering the sea are formed as a result of drilling in the process of oil production[7]. Their presence is an inevitable result of oil leaks from the well, which is very dangerous due to the large number of oil leaks before control of its presence from the well. Oil pollution of sea water comes mainly from the following sources: a) daily production and transportation of oil at sea, b) accidents on oil tankers and c) oil spills from oil tankers. But the oil pollution of the Caspian Sea was caused to a greater extent by the leakage of hydrocarbons from the natural bottom than by the leakage of oil from ships[8].

2. Fluctuations in the water level in the Caspian Sea, which has a direct effect on soil salinity.

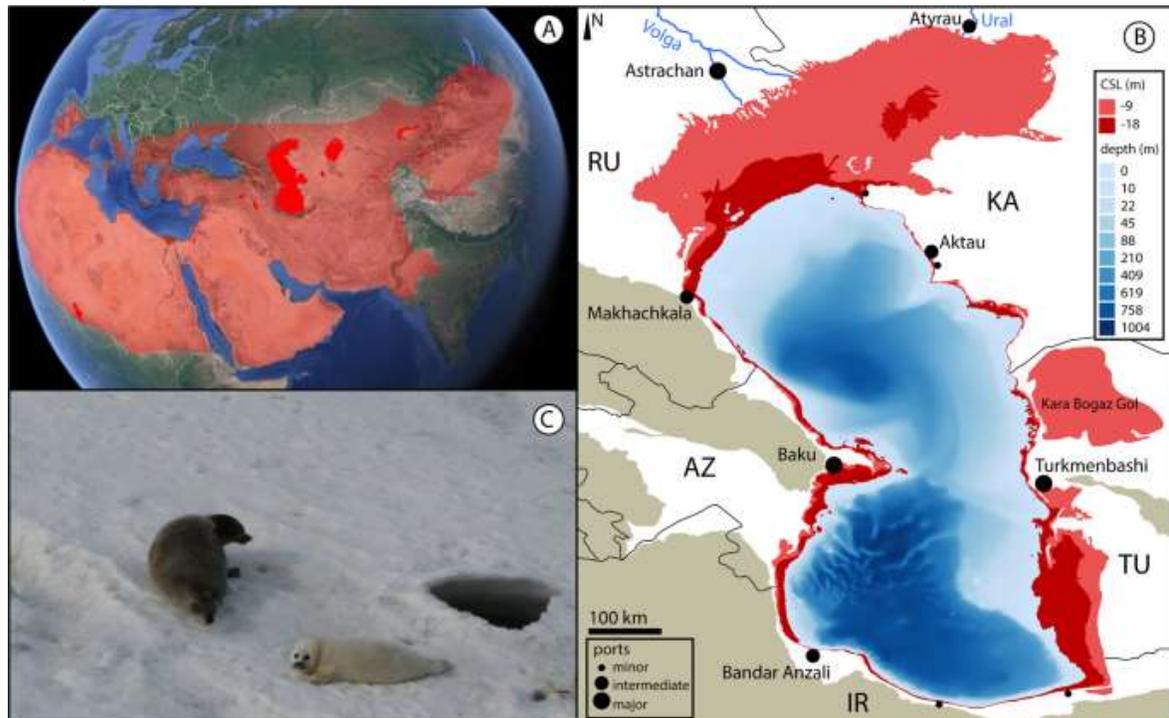


Figure 2 Water level fluctuations in the Caspian Sea

Source: Matthias Prange, Thomas Wilke & Frank P. Wesselingh, The other side of sea level change // <https://www.nature.com/articles/s43247-020-00075-6>

3. The destruction of flora and fauna, the death and risks of extinction of entire species of animals, waterfowl, fish and plants are among the consequences of pollution.
4. The appearance of exotic species of organisms in the sea. Exotic species are considered a growing problem in aquatic systems. They compete for food, space and spawning grounds or can be aggressive and limit the breeding success of endemic fish species. They can also have a significant impact on the conservation and restoration of local biodiversity.
5. Large legal and illegal fish catches.

Particular attention is paid to the issue of the death of the Caspian seals, which were listed in the Red Book by the Decree of the Government of the Republic of Kazakhstan dated November 13, 2020. A number of measures are being taken to conserve this species of seals.

These problems and the need for cooperation in the field of protecting the environment and resources of the Caspian Sea prompted the Caspian states to conclude in 2003 a framework convention for the protection of the marine environment of the Caspian Sea - the Tehran Convention[9]. However, the convention only enters into force in 2006 due to a protracted ratification process. Later additional protocols were signed in 2011 and 2012[10].

Environmental pollution of the Caspian Sea has a negative impact not only on the sea, but also on the population of all the Caspian states. The protection of this valuable sea is directly linked to the security and national stability of coastal countries. Conflicts and disputes in the modern management of the natural resources of the riparian countries may deepen the gap and therefore lead to hostility between them in the near future. The main task facing the Caspian countries is to ensure the necessary balance between the intensification of the development of natural deposits, the transportation of hydrocarbons and the preservation of the unique ecosystem of the Caspian Sea. In this regard, an effective strategy for solving the environmental problems of the Caspian Sea is to intensify the environmental efforts of the Caspian states and their association at the regional level.

3. Actors in the energy (hydrocarbon) sector of Central Asia

The energy resources in the region and the special transport and logistics potential of the Caspian Sea cannot but attract the attention of many powers and players. Traditionally, the Caspian Sea region has been a zone of intense competition and rivalry between major players. Already today the dynamics of competition is clearly expressed. However, this renewed rivalry is different from what it was in the 19th century, as it emphasizes cooperation between the "great powers" in their broader strategic interests. Energy security has prompted them to adapt and cooperate with each other in the exploration, production and transportation of the region's hydrocarbon resources, and it is this cooperation that allows the great powers to meet their energy needs.

The US, European Union, Russia, Turkey, Iran, China and others are interested in economic and political developments in the region, and their attention is focused on the dynamics of the energy supply market. Each of these states consider the Caspian region as the most important strategic space in accordance with their geopolitical interests. The region located between the West and the East is a changeable formation with a special condition for its transformation into

a center of international competition (in cases of weak interstate interaction). Russia as the main actor in the political structure of the region is in a stronger position than others. This situation is due to the historically established relations of the country with the regional republics of Central Asia.

The oil and gas industry was a major pillar of the Soviet economy as it was an important element of barter trade in the communist bloc and provided the Soviet Union with the necessary leverage to maintain power. In parallel, one of the main achievements of the Soviet energy industry was the creation of an extensive network of pipelines that connected remote Soviet fields with the Soviet Union, Eastern Europe, and also Europe. After the collapse of the Soviet Union, Russia inherited about 46,000 km of oil pipelines and 152,000 km of gas pipelines[11]. As a result, Russia was able to maintain its dominant role in the energy market of the former Soviet Union. For the Kremlin, the significance of the region was of national importance, since, according to Putin, the collapse of the USSR became a geopolitical catastrophe[12].

At present, the development of close cooperation with the countries of the region has acquired significant relevance for Russia in the context of the maritime doctrine, focused on economic and geopolitical consolidation in the region. In particular, the doctrine classifies the sector of the Caspian Sea as one of the vital areas (zones) for ensuring the national interests of the Russian Federation in the World Ocean[13].

Russian oil and gas companies own a large stake in the oil and gas industry in Kazakhstan and Turkmenistan. For example, one of the largest energy companies in Russia, Lukoil, has about ten offshore and onshore oil and natural gas fields in Kazakhstan. The company has a stake in the Caspian Pipeline Consortium along with two other Russian companies, Yukos and Gazprom. Through this pipeline, oil from the Tengiz field is delivered to Novorossiysk. More than 90% of Kazakhstani oil enters the market through the Russian Federation (in 2021 - 53.1 million tons through the CPC and 11 million tons through the Atyrau-Samara oil pipeline, this is 93.3% of the total export of 67.6 million tons)[14].

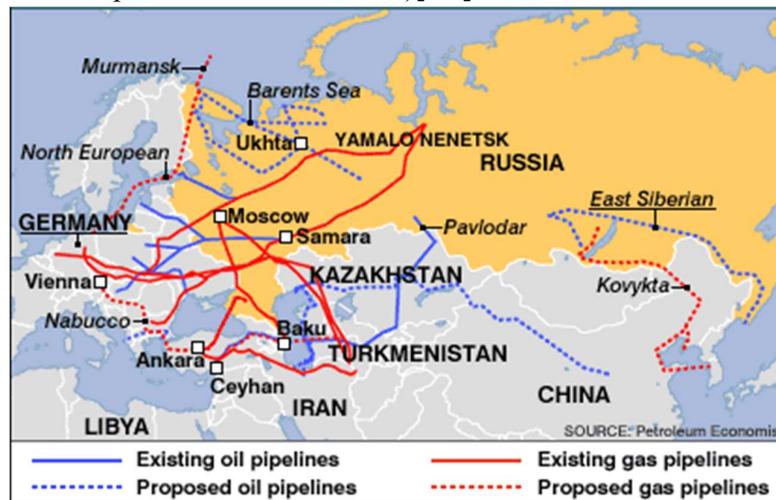


Figure 3 oil and gas pipelines in Russia

Source: Russia: Key facts // BBC NEWS

<http://news.bbc.co.uk/2/shared/spl/hi/guides/456900/456974/html/nn4page1.stm>

Turkmenistan, as the owner of most of the natural gas reserves in the region, is also attractive to Russian companies. Firstly, it is the transit potential of the country: routes from the north to Iran and Afghanistan pass through Turkmenistan. Gas cooperation between the two countries has great prospects. Moscow declared its readiness to join the construction of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline[15]. Despite the fact that there were periods of cooling in bilateral relations, today there is an intensification of cooperation. Tatneft and Gazprom are active in Turkmenistan. In 2022, Gazprom purchased about 5 billion m³ of natural gas from Turkmenistan in accordance with the agreement concluded by the parties until 2024, which was extended in 2021[16]. Lukoil is negotiating terms of participation as an operator of the Dostluk oil and gas condensate field development project in the Caspian Sea.

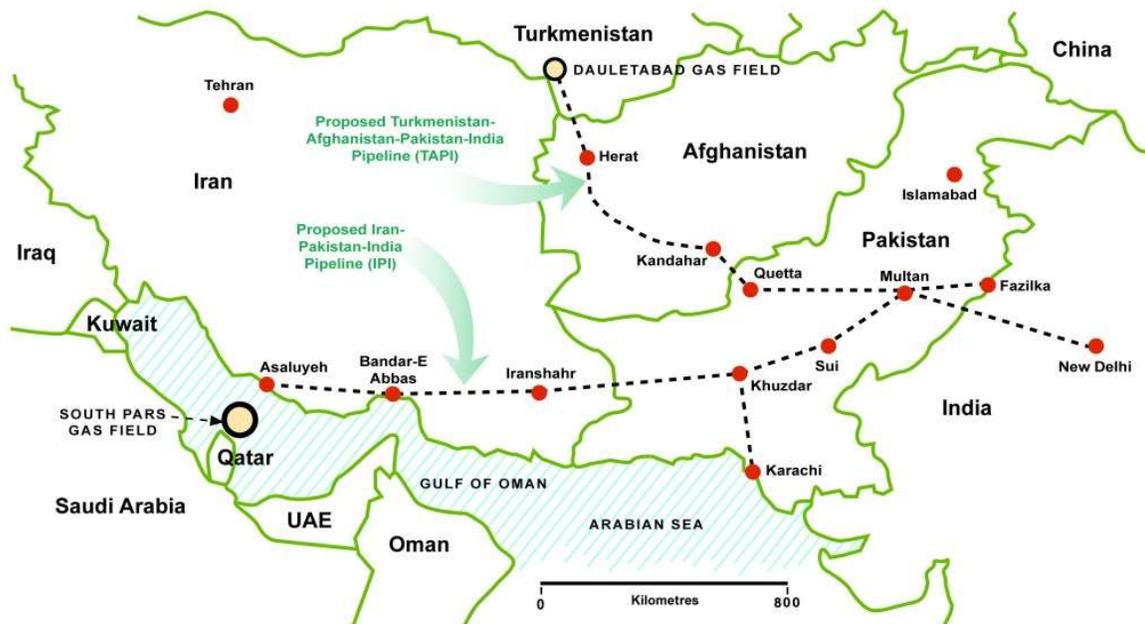


Figure 4 Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline

Source: China to Join Turkmenistan-Afghanistan-Pakistan-India Pipeline? // Silk Road Briefing <https://www.silkroadbriefing.com/news/2018/09/06/china-join-turkmenistan-afghanistan-pakistan-india-pipeline/>

Against the background of the growing geopolitical activity of Russia and China, the role of the United States in the region remains significant, but not leading. The United States government has identified several priorities related to the region, including supporting Western companies to invest in and build alternative pipeline projects. Most of the major oil companies, including Chevron Texaco, ExxonMobil, British Petroleum, Halliburton, have invested heavily in this region. Therefore, the priorities were formed in the consolidation of strong reliable ties with the states of the Caspian basin. The United States has supported some oil and gas pipeline projects, such as the Baku-Tbilisi-Ceyhan. However, since the early 2000s, growing Chinese interests and involvement have resulted in a significant US loss of this energy-rich region.

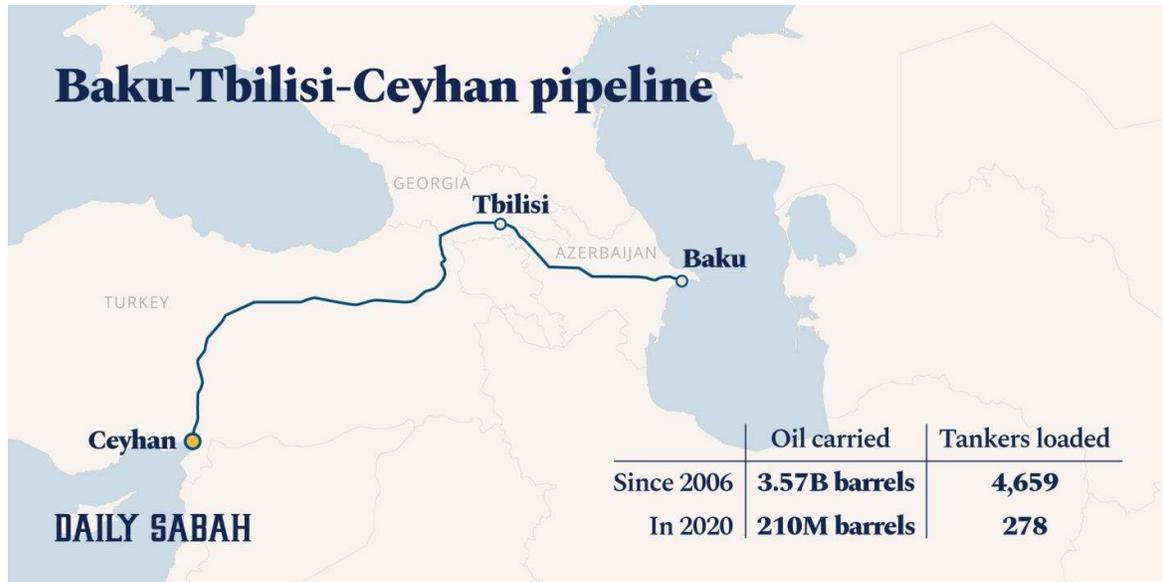


Figure 5 Baku-Tbilisi-Ceyhan pipeline

Source: Caspian oil flow through Baku-Tbilisi-Ceyhan pipeline reaches 3.5B barrels at end of 2020 // DAILY SABAH <https://www.dailysabah.com/business/energy/caspian-oil-flow-through-baku-tbilisi-ceyhan-pipeline-reaches-35b-barrels-at-end-of-2020>

In its new national security strategy, the administration of President Joe Biden notes that the United States is clearly focused on countering Russia's worsening energy prices, food shortages, and the global economic downturn through effective cooperation with local partner countries, which must play a leading role[17]. In this regard, special emphasis is placed on partnership with the countries of the Caspian region, which can play a significant role in achieving such priority goals as "reducing Europe's dependence on Russian imports of fossil fuels" and "strengthening European energy security." For example, the United States actively supports the construction of the Trans-Caspian gas pipeline for the export of Turkmen blue fuel to Europe[18]. However, at present, the United States, busy with its internal problems and gaining a foothold in the Asia-Pacific region, does not fully use the potential of its policy in the Caspian Sea.

Over the past decade, China has been steadily building up its positions in the Caspian Sea basin and in Central Asia, breaking the monopoly of Russia and the United States. According to forecasts, it is expected that by 2040 China's dependence on energy imports will increase by more than 40% [19].

So far, the supply of energy resources has been provided mainly through maritime transport. 80 percent of oil imports come through the Strait of Malacca, which connects the Indian and Pacific oceans, and is of great concern to China. In 2003, the country's leader Hu Jintao in his speech even called this situation the "Malacca dilemma"[20]. The expansion of India's influence from the east coast to the Strait of Malacca has threatened the security of Chinese transport routes. In addition, sea lanes have proven vulnerable to threats such as terrorism and piracy. Taking these factors into account, the Chinese government is exploring alternative energy transportation routes, where Central Asia and the Caspian Basin play a key role.

4. Relations between the PRC and the Caspian states

For the first time, the need to establish ties with the Caspian states was reflected in the Ninth Five-Year Plan (1996-2000), which provided for increased investment in Xinjiang, which was supposed to play a strategically important role as a link between the two regions. During the same period, Li Peng, Premier of the State Council, called for the active implementation of the policy of diversifying energy resources through political lobbying, financial assistance and political partnership with the Central Asian states.

Chinese plans to build ties with the Caspian states were part of China's strategic planning in the Ninth Five-Year Plan (1996-2000), which sought to increase investment in Xinjiang to serve as a bridge between the two regions[21]. During the same period, Li Peng called for the active implementation of the energy diversification policy through political lobbying, financial assistance, and political partnership with the states of Central Asia.

The strategic importance of the region was underlined in the subsequent Tenth Five Year Plan (2001-2005), which also stimulated policies to invest in exploration and development of new deposits, mainly in new energy supplier countries. Instability in the Middle East after the events of September 11 and competition with Japan for the Siberian oil pipeline prompted Beijing to turn its attention to the Caspian states in search of alternative energy suppliers.

In 2004, the "Basic Provisions of the Medium and Long-Term Program for the Development of China's Energy Industry for the Period 2004-2020" were published, which were adopted by the State Council of the People's Republic of China. The key points of this strategy included such issues as the search for new oil fields both domestically and abroad, increasing the strategic oil reserves due to the unpredictability of the world oil market, as well as ensuring the safety of oil transportation by land and sea.

China's energy strategy for the Caspian region has also become part of Beijing's "peripheral policy" (zhoubianzhengce). The new sub-regional bloc that emerged after the collapse of the Soviet Union was considered by China as an effective tool in the confrontation with the West[22], which later resulted in the regional initiative "One Belt, One Road".

The adoption of the "One Belt, One Road" strategy in 2013 provided a chance for China to establish closer relations with the Caspian countries. At the moment, several projects approved under the One Belt, One Road strategy have a total investment potential of \$1.2-1.3 trillion by 2027[23].

Unlike the policies of the United States, the European Union and Russia, the One Belt, One Road strategy is distinguished by an alternative direction of international cooperation that opposes trade protectionism and promotes the strengthening of transparent, mutually beneficial multilateral trade. In particular, President Xi Jinping stated the following: "We are ready to share development experience with other countries, but we do not intend to interfere in the internal affairs of other countries, export our social system and development model, or impose our will on others. As part of the Belt and Road, we will not resort to outdated geopolitical manoeuvres. We hope to achieve a new model of mutually beneficial cooperation"[24].

Since the launch of the Belt and Road Initiative, bilateral trade between China and Central Asian countries has increased significantly. The total volume of trade between China and the countries of Central Asia in the 1990s was less than 1 billion US dollars, and in 2022 it increased to 32.1 billion US dollars[25].

China uses the so-called "sharing approach" in relation to the Caspian countries, the purpose of which is not only to receive contracted volumes of oil and gas, but also to actively participate

in projects. They acquire as many shares as possible in mining and other sectors, offering soft loans on generous terms. The logic of this policy is that direct ownership of resources is the best way to ensure the effectiveness of the project and guarantee uninterrupted and long-term supply[26]. Therefore, the countries of the Caspian Basin, especially the Central Asian countries with special investment needs, have become an attractive alternative for Chinese large state-owned oil and gas companies such as CNPC, CNOOC and Sinopec.

In the context of the One Belt, One Road strategy, China has implemented several projects in the region worth up to 136.2 billion US dollars. Table 1 shows the Chinese projects implemented in the countries of Central Asia, by industry, within the framework of the One Belt, One Road strategy. According to this table, Kazakhstan and Turkmenistan attracted most of the investment in areas such as energy infrastructure, exploration and processing of minerals and oil.

Table 1. Total investments of Chinese projects in Central Asia (million US dollars)[27]

	Tota	Rail and	Ener	Industr	Agricul	Explora	Finance	Support
Total by	136	23 499.74	35	12	1451.88	55	8 100	46.44
Kazakhst	90	14 539.3	18	10	1	37	8 100	Информ
Turkmen	24	1402.5	9 410	Informa	Informa	14 03	Informa	Informati
Tadzhiki	10	4 515.9	4 516	679,8	342	465	Informa	Informati
Kyrgyzst	5	1 773.04	2 713	150.8	31.55	676.85	Informa	46.44
Uzbekist	4	1 269	205.	923.45	28.7	2 209.3	Informa	Informati

5. Form of dialogue between the PRC and the countries of the region within the framework of the C+C5 format

Despite the fact that the Chinese authorities have initiated a “dual circulation” strategy under the new five-year plan (2021-2025), which implies the process of transition to import substitution and technological sovereignty, in the medium term, the country will continue to continue external economic expansion to maintain a dynamic social - economic development. Therefore, China will continue to expand its global trade and economic ties with other countries, including the countries of Central Asia, in order to diversify imports and overcome the risks associated with maritime transportation. For example, in this situation, the form of China’s dialogue with the countries of the region within the C + C5 format, initiated in 2020 at the level of foreign ministers, is of particular interest. This demonstrated an important change in the Chinese approach to Central Asia. First, Beijing has formed a regional Sino-centric platform for political dialogue, giving a new impetus to the existing political interaction between the PRC and the countries of Central Asia within the framework of the SCO. Secondly, China has put forward an alternative to the American structure (“C5 + 1”), which demonstrates sufficient resources and ideological content of the Chinese approach to the region, which can not only balance, but even surpass the Russian and American platforms. As Kazakhstani expert A. Amrebaev notes: “The transition from a bilateral format of relations to a predominantly multilateral one (“5 + 1”) indicates the seriousness of intentions on this track of China's interests. He is interested in the formation of a more capacious regional market and complementary "rules of the game" for Chinese entrepreneurs, predictability and stability of political regimes in the Central Asian republics. These intentions of China should motivate the

countries of the region to greater consolidation of decisions and economic cooperation, coordination of actions and development of comprehensive, coordinated programs for the development of the region as a whole”[28].

In early 2022, the PRC and the countries of the region announced the construction of a “Community of Common Destiny”[29], emphasizing complex interdependence. At the third C+C5 summit, it was proposed to form a mechanism for meetings of heads of state in a similar format. The first such meeting is scheduled for May 2023 and is associated with the launch of the “grand cooperation plan” announced by President Xi[30].

Conclusion

Thus, the above mechanisms of cooperation between the PRC and the countries of the region enable China to more closely tie the economy and politics of the states of the Caspian Sea and Central Asia to their own interests.

1. Taking 30 years since the establishment of diplomatic relations as a new starting point, it is good to work at the highest level to deepen economic cooperation in the new era. In the new situation, both sides have both good political will and a good basis for deepening practical economic cooperation. Central Asia has become more dependent on China in terms of international transportation, economic transformation and industrialization, which has enhanced the ability of the two sides to carry out economic and trade investment and large-scale project cooperation. Both sides should deepen the connection between the joint construction of the One Belt, One Road initiative and the development strategies of the Central Asian countries, and improve the mechanism for comprehensive trade and economic cooperation. Based on the "Joint Initiative for the Quality and Sustainable Development of China-Central Asia Trade and Economic Cooperation", jointly issued by the trade and economic departments of China and Central Asia, formulate concrete action plans and roadmaps for the implementation of the initiative. and accelerate negotiations with Central Asian countries and implement a medium-term and long-term plan for trade and economic cooperation. In response to the concerns of Central Asian countries about expanding exports to China and balancing bilateral trade, continue to take practical measures to increase the intensity and scale of imports from Central Asia , expand the list of marketable products, unblock cooperation channels, more high-quality goods and agricultural products will enter the Chinese market from Asian countries, and we will fully realize the goal of achieving 70 billion US dollars of bilateral trade by 2030.

2. Strengthen the legal framework and improve the institutional level of cooperation between the two sides. Strong government leadership and the promotion of large-scale projects are important features of China-Central Asia economic cooperation. Over the past 30 years, although economic cooperation between China and the countries of Central Asia has made significant progress, due to the lack of effective legally binding institutional mechanisms and institutional guarantees for cooperation, the effectiveness of cooperation between the two parties remains unsatisfactory. To this end, both sides should actively explore the possibilities of establishing cooperation and joint management mechanisms in the areas of policy and planning coordination, economic and trade cooperation, investment protection and dispute resolution, complement and improve existing bilateral and multilateral investment agreements, and sign new ones based on new changes to the Investment Protection Agreement, explore the possibility of concluding sub-regional and regional investment agreements. Continue to

implement comprehensive measures to simplify customs clearance, inspection and quarantine, logistics and transportation, standard certification, payments and settlements, remove barriers and restrictions, increase interdependence, and gradually build a market-oriented and legally sound mechanism for regional economic cooperation.

3. Draw up common plans and coordinate the interests of all parties, and put non-resource areas and spheres of people's life in the center of attention to promote the sustainable development of regional economic cooperation. In the new situation, all countries of Central Asia consider the development of the economy and the improvement of the living standards of people as a management priority and put forward a development strategy aimed at improving the unified economic structure, increasing the level of social protection and promoting social and economic stability. In response to this situation, in the coming period, in addition to continuing to expand and implement "high-tech" projects such as economic and trade cooperation, industrial investment, energy resource cooperation and connection facilities, we must use the resources and labor potential of Central Asian countries to promote all-round cooperation in new areas and further exploit new growth points such as small and medium-sized enterprises and high-tech cooperation. China's "Global Development Initiative" should pay more attention to promoting the construction of "small and beautiful" projects that can meet the needs of the population of Central Asian countries in the field of poverty reduction, public health, and medicine. aid, education and culture, and help the people of Central Asia to improve opportunities, increase incomes, improve people's living conditions and close the gap between rich and poor, so that the results of the joint construction of "One Belt, One Road" can benefit more people, more further deepen mutual trust and communicate with people.

4. Promote the inclusive and sustainable industrialization of the Central Asian countries through cooperation in the field of production capacities. Compared with other relatively simple division of labor models, international production capacity cooperation emphasizes the long-term nature, stability and interaction of cooperation, which contributes to the formation of a comprehensive, sustainable and deepening cooperation model. All countries of Central Asia put forward the task of implementing a strategy to accelerate new industrialization. China has advantages in capital, technology, talent and previous experience of cooperating production capacity and is able to play a more important role in the process of industrialization of the Central Asian countries. We can take the in-depth promotion of industrialization as a priority for cooperation with Central Asia, vigorously promote and implement alignment with the industrial development strategies of various countries, pursue policies in line with the country, further strengthen the coordination of macro-industrial policies, promote the implementation of existing production capacity cooperation projects and jointly to develop a regional model of the division of labor system focused on "complementary cooperation" to achieve regional sustainable industrialization.

5. Promote the upgrading and cooperation of the industrial chain and supply chain. Against the backdrop of the COVID-19 pandemic and the conflict between Russia and Ukraine, the global production and supply chain is undergoing a reshuffle with the content of "localization of the production chain, diversification of the supply chain and regionalization of industry division." labor." In the face of this new situation, based on the promotion of industrialization, industrial transformation and modernization of the countries of Central Asia, we can plan to build a future-oriented industrial chain and supply chain in Eurasia, and make

full use of the advantages of each country in terms of market, resources and industries. , deepen cooperation between countries in the field of upgrading industrial chains and supply chains, including cooperation in the entire industrial chain of energy, the entire industrial chain of agricultural production, processing, transportation, sales and consumption, and comprehensive cooperation in the field of medicine, medicine and health care.

6. Continue to promote connectivity, consolidate and maintain Central Asia as an international transport corridor and an important hub connecting Asia and Europe. In terms of ensuring an uninterrupted supply chain and transportation in the Eurasian continent, after the conflict between Russia and Ukraine, the status of Central Asia in China's land transportation to the west has risen, and ensuring the security of transportation and supply chains has become a common task for China and the countries of Central Asia Strategic objective " four rays and eight pillars" of cooperation is to build the China-Central Asia transport corridor and further improve the interconnection network. The next step is to effectively implement the various measures proposed to deepen the China + Five Central Asian Interconnection Cooperation Initiative, as well as the use of "hard link" and technology, international standard certification, customs facilitation and other "soft Unicom". potential, focus on quality development, build a comprehensive, comprehensive, green and sustainable transport infrastructure system, improve cross-border logistics services, harness the potential of multimodal transportation, ensure the safe and efficient operation of the China-European Railway. Accelerate and expedite the construction of the China-Kyrgyzstan-Uzbekistan railway in an orderly manner in accordance with the established work plan.

7. Focus on key areas of innovation to create innovative opportunities. Green energy, digital economy, artificial intelligence, e-commerce, information communications and modern agriculture are new areas and important areas for China and Central Asia to implement practical cooperation in the next stage. In order to steadily advance cooperation in the above areas, relying on the Shanghai Cooperation Organization, we can coordinate policies in the above areas, accelerate negotiations and signing memorandums on investment cooperation in the field of digital economy and green economy. development and promote the green transformation of traditional industries. At the same time, a dialogue mechanism for China-Central Asia e-commerce cooperation can be established to deepen cooperation in the field of smart manufacturing and new infrastructure (information infrastructure, converged infrastructure and innovation infrastructure), establish regional digital partnerships, and jointly discuss the development of standards and rules for digital economy, set up joint research and development centers and production bases, conduct innovative training, and develop technological innovation capabilities to adapt to the new situation. In addition, the relationship between green and low-carbon development and maintaining energy security should be coordinated, and renewable energy demonstration projects should be actively established to promote the modernization of energy cooperation.

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