



CHINA'S AIR SILK ROAD INITIATIVE: ROLE OF XINJIANG UYGUR AUTONOMOUS REGION

The recent aggravation of geopolitical, geo-economic and military confrontations on the global and regional scales along with the increased global and regional economic crises have negatively affected China's economy, which had a high growth rate for many years, leading to a decrease in Chinese exports and the flow of foreign investments to the country. Therefore, meeting China's growing demand for energy and ensuring access to foreign markets are among the most important issues of concern for Beijing.

In order to solve the economic and strategic problems faced by China, Beijing felt the need to develop new strategies of geo-economic and geopolitical importance. In this context, in 2013, the Chinese government launched the Belt and Road Initiative (BRI) that includes the Silk Road Economic Belt and the 21st Century Maritime Silk Road strategies. The main objective of the initiative is to ensure China's access to natural resources and foreign markets, maintaining stable economic growth and achieving a favorable balance in foreign policy. In addition, China sets a goal to increase its soft power by strengthening its economic and political influence at the regional and global levels. Under the BRI, Beijing aims to promote trade in goods and services between China and South Asia, Central Asia, Middle East, West Asia, Africa and Europe via both land and sea. Moreover, China also puts particular emphasis on air transportation and strives to form the Air Silk Road.

The special geographical location of the Xinjiang Uygur Autonomous Region (XUAR), which is situated in the northwest of the country and shares borders with eight countries, plays an important role in China's Air Silk Road initiative. In this context, China, in particular, aims to transform the city of Kashgar in the XUAR into the region's international logistics center in terms of air transportation. There are several reasons why China prioritizes Kashgar in its Air Silk Road initiative. First of all, Kashgar has an important place in China's policy of the XUAR's economic development. Thus, since 2009, Beijing has been heavily investing in the transportation infrastructure of Horgos in northern Xinjiang and Kashgar in southern Xinjiang to support the foreign trade based economic development of the XUAR. The establishment of the Kashgar Special Economic Zone after 2010 and the development of national and international highway and railway networks connected to Kashgar, along with the renovation of the basic infrastructure of the Kashgar International Airport, have created a positive environment for Kashgar to turn into an important center of air transportation. On the other hand, the highway and railway projects stretching from Xinjiang to Pakistan's Gwadar port, which form the transportation

infrastructure of the China-Pakistan Economic Corridor (CPEC), start in Kashgar, as well. In addition, the China-Kyrgyzstan-Uzbekistan railway connecting China with Central Asia is also planned to start in Kashgar, pass through the Irkeshtam border crossing between China and Kyrgyzstan and reach via Kyrgyzstan's Kara-Su district Uzbekistan's Andijan city. The fact that Kashgar, which is of great importance both for the economic development of the XUAR and for the international economic and transport corridors of China, is prominent in the Air Silk Road initiative is certainly due to its special geographical advantage. Located at the intersection of the middle and southern routes of the ancient Silk Road, Kashgar is now a major transit hub between China and Central Asia, South Asia and West Asia.

Based on the idea of creating the Air Silk Road through Kashgar under the BRI, the plan for the Kashgar Airport Economic Zone was brought up to the agenda in 2014. In accordance with the long-term development plan consisting of three main stages (2015-2025, 2026-2035, 2036-2050), the Kashgar Airport Economic Zone with an area of 83.3 square kilometers is expected to operate in eight main sectors such as the traditional aviation industry, air transportation, air tourism, aviation security, civil aviation, air trade, aerospace technology and aviation exhibitions. The establishment of the Kashgar Airport Economic Zone has positively contributed to the formation of the Air Silk Road via Kashgar.

In addition, by launching direct flights to Kashgar from large cities of China such as Beijing, Shanghai, Guangzhou and Zhengzhou, as well as Hong Kong and a number of countries, important steps have been taken to establish the Air Silk Road via Kashgar. For example, direct flights to Kashgar were first opened from Pakistan's capital Islamabad in August 2013, then from Sharjah, the UAE's third largest city, in December 2015, and from Bishkek, the capital of Kyrgyzstan, in September 2016.

Since 2013, the Kashgar International Airport's infrastructure facilities had constantly been upgraded, and in 2017 it underwent an expansion project that cost more than 3.5 billion yuan (about \$552.39 million). Due to these developments, the Kashgar International Airport has become the second largest airport in the XUAR. For example, in 2013, the Kashgar International Airport had an annual passenger turnover of 1.15 million and an annual cargo turnover of 6,281 tons, in 2015 – 1.73 million and 6,655 tons, respectively, while in 2017 the number of passengers per year reached 2.05 million and the volume of cargo hit 7,718 tons. In 2018, the Kashgar International Airport's annual turnover of passengers and cargo equaled 2.06 million and 8,225 tons, increasing by 0.6%

and 6.6%, respectively, compared to the previous year. By 2025, it is expected that the annual turnover of passengers and cargo of the Kashgar International Airport will reach 5 million and 60,000 tons, respectively.

In addition to expanding the Kashgar International Airport, Beijing, which aims to make the Kashgar Prefecture where the airport is located the center of all the XUAR air transportation, has decided to build new airports at the prefecture's cities of Yarkent, Tashkurgan and Tomshuk from 2014 onwards. The Yarkent Airport, the construction of which required a total investment of 601 million yuan (about \$89.70 million), was launched in November 2017. The Tumshuk Tangwangcheng Airport, the construction of which cost 631 million yuan (about \$94.18 million), started service in December 2018. With the construction of the new airports, the Kashgar Prefecture has become the prefecture with the highest number of airports in the XUAR.

While the importance of Kashgar in China's Air Silk Road initiative is increasing day by day, the XUAR's entire air transportation infrastructure is also given particular attention. For example, according to China's 13th Five-Year Development Plan, a total of 51 billion yuan (about \$7.61 billion) is planned to be invested in Xinjiang's air transportation infrastructure between 2016 and 2020. In 2017, a total of 14.4 billion yuan (about \$2.15 billion) was invested in the airport projects of the XUAR. In 2018, 42.11 billion yuan (about \$6.29 billion) was invested in the project of developing the Urumqi International Airport alone. Currently, there are a total of 21 airports operating in the XUAR, six of which are undergoing expansion and renewal projects. Nine new airports are under construction, and the total number of airports in Xinjiang is expected to reach 33 by 2025. With these figures, the XUAR will become the region with the highest number of airports in China.

In brief, it can be said that the XUAR is of great importance and will continue to play a substantial role in the Air Silk Road initiative, in which China has been investing great efforts in recent years. At the same time, there is no doubt that the significant funds that Beijing has invested in the XUAR's air transportation infrastructure under the Air Silk Road initiative will have a positive impact on the economic and social development of the region. However, in the last few years, Beijing has begun to take rigorous measures to ensure security and stability in the XUAR, which may adversely affect air transportation in the region. For this reason, in order to make the XUAR's role in the Air Silk Road initiative even more effective, China should give importance to improving the increasingly deteriorating social and economic situation of the region.

Politics, Foreign Affairs, and Security

- The National Assembly of Azerbaijan approved the ratification of the Convention on the Legal Status of the Caspian Sea signed in August 2018. Along with the convention, legislators endorsed a number of documents related to cooperation with other littoral states, including on transport, trade and economic cooperation, incident prevention, and fighting organized crime and terrorism.
- During his three-day working visit to Russia, President of Belarus Alexander Lukashenko held negotiations with Russian President Vladimir Putin in Sochi on key issues of bilateral relations and prospects of the Eurasian integration. The two leaders discussed the entire spectrum of mutual cooperation from economy, finance, industry and agriculture to science, education, culture and sports.
- Presidents of Iran, Russia and Turkey Hassan Rouhani, Vladimir Putin and Recep Tayyip Erdogan met in Sochi for their fourth trilateral summit to address the political settlement in Syria. The parties focused on the formation of the Syrian constitutional committee, the planned withdrawal of U.S. troops from Syria, and the situation in the country's north-eastern part and Idlib province.
- The working group made of representatives of the defense ministries of Kazakhstan, Kyrgyzstan, Russia, and Tajikistan, the CSTO Joint Staff, and relevant CSTO military research organizations met in Dushanbe to discuss the creation of a unified air defense system in the Central Asian region. The meeting participants found it advisable to recommend continuing joint work on this issue.
- The delegation of Tajikistan's Ministry of Defense visited Minsk to discuss with their Belarusian counterparts prospects for developing military and military-technical cooperation within the framework of the CSTO and in the bilateral format. During the talks, the parties also addressed the military-political situation in the Central Asian region.
- The delegation of the Japanese Foreign Ministry visited Ashgabat to hold political consultations with their Turkmen colleagues. The parties discussed further development of bilateral relations in the political, trade, economic and humanitarian fields. Japan invested in a number of projects in Turkmenistan, including the construction of the ammonia and urea plants in the city of Mary, and the industrial complexes for the production of polyethylene, urea fertilizers and polypropylene in the Balkan region.
- Foreign Minister of Kazakhstan Beibut Atamkulov met with ambassadors of the EU member states and the EU delegation in Astana. The parties considered the current state and prospects of mutual cooperation, including political, economic and trade relations, with a special focus on the Enhanced Partnership and Cooperation Agreement, which will soon fully enter into force.

Economy, Finance, and Energy

- During the Turkmen-German business forum held in Berlin, the parties discussed issues related to increasing and diversifying trade and economic relations between the two countries, including the Trans-Caspian gas pipeline project. Representatives of Turkmenistan provided their German partners with comprehensive information on existing investment opportunities and presented an exhibition of Turkmen products.
- The agriculture ministries of Kazakhstan, Russia and Iran signed a memorandum of understanding on cooperation in wheat trade. According to the document, which is an integral part of the free trade zone agreement signed between the EEU member states and Iran in 2018, Iran will facilitate the freedom of transit of Kazakh and Russian wheat through its territory and support imports of wheat under swap contracts.
- The volume of trade between Kazakhstan and Russia in 2018 amounted to \$17.55 billion, increasing by 7.2% compared with 2017. The Kazakh exports to Russia grew by 11.3%, reaching \$5.16 billion, while the Russian imports to Kazakhstan was worth \$12.39 billion, going up by 5.6%. Russia remains Kazakhstan's major trading partner accounting for 18.8% of the country's total trade turnover.
- Azerbaijan's foreign trade turnover in 2018 amounted to \$31.8 billion, including \$20.3 billion of exports and \$11.5 billion of imports. The goods produced in the country were exported to 113 countries, with Italy (30.2% of the total value), Turkey (9.4%) and Israel (6.7%) being the major recipients. 178 countries led by Russia (16.4%), Turkey (13.8%) and China (10.4%) imported their goods to Azerbaijan.
- In 2018, Tajikistan attracted \$645 million of foreign investment, of which about \$326 million was foreign direct investment. In general, 69 investment projects worth \$3.23 billion are currently implemented in the country, including those financed by the Asian Development Bank, the World Bank, China Eximbank, the European Bank for Reconstruction and Development, and the Islamic Development Bank.
- According to the National Statistics Committee of Belarus, foreign investors (excluding banks) invested \$10.8 billion in the real sector of the country's economy in 2018. The main investors were business entities from Russia (38.3% of all investments), the United Kingdom (25.7%), and Cyprus (7.8%). Belarusian entities invested \$6.1 billion abroad, including Russia (68.2%), Ukraine (16.5%), and the United Kingdom (6.7%).
- Georgia and China signed an agreement on technical and economic cooperation that provides for the allocation of assistance in the amount of 100 million yuan (about \$15 million). Funds will be spent on the purchase of inspection systems for Georgian customs checkpoints, which will help enhance security and accelerate customs control at the country's borders.

Society and Culture

- Under the UN Recovery and Peacebuilding Program, the governments of Denmark, Sweden and Switzerland will allocate \$14 million in aid to the conflict-affected areas of eastern Ukraine. The initiative is aimed at strengthening good governance in the Donetsk and Luhansk regions and promoting human rights, job creation, poverty alleviation, anti-corruption measures, law enforcement and judicial reform.
- A total of 61,800 people visited the 26th Minsk International Book Fair which was held under the slogan "More than Books". During the five-day event organized jointly by the Information Ministry of Belarus, the Minsk City Hall and the Belarusian Union of Writers, 441 participants from 37 countries showcased new publications, shared their experiences and discussed the problems of the book industry.
- The Uzbek Ministry of Higher and Secondary Specialized Education and the U.S.-based Webster University signed an agreements on the opening of this university's branch in Uzbekistan. The branch will offer both undergraduate and graduate programs in business administration, marketing and entrepreneurship, computer science, journalism and the media industry, healthcare management, STEM education and innovation, and other areas of study.
- The UN Industrial Development Organization and the Ministry of Agriculture and Environmental Protection of Turkmenistan implement a joint project on a phased reduction of ozone-depleting substances in the country. Under the project, they organized a seminar to familiarize Turkmen customs officials with international agreements and national legislation on the protection of the ozone layer.
- The UN Office in Azerbaijan and the nongovernmental organization Arts Council Azerbaijan, with support of the country's Ministry of Culture, launched an initiative to create a UN Culture Park in Baku. As part of the project, artists will paint metal barrels on the theme of Sustainable Development Goals and create "green corners", while representatives of diplomatic missions and international organizations will plant trees.
- The 12th Conference on Pioneers of the Turkic World dedicated to Azerbaijani playwright and poet Jafar Jabbarli on the 120th anniversary of his birthday took place at the TURKSOY Headquarters in Ankara. The conference, which brought together professional authors and poets along with amateurs, featured presentations on Jabbarli's life and work, as well as the reading of his poems.
- As of January 1, 2019, Kazakhstan's population reached 18,395,700 people, increasing by 238,600 people, or 1.3%, year on year. 10,638,700 people, or 57.8%, of the total population, live in the cities, while the rural population amounts to 7,757,000 people, or 42.2%. In 2018, the number of arrivals to Kazakhstan decreased by 20.5%, while the number of departures increased by 11.1%.