

“One Belt and One Road”- the New Silk Road



Over two thousand years ago the Silk Road route began to develop. It connected the East and West, by land and sea, particularly in the lucrative Chinese silk market.

“One Belt and One Road”, also known as **China's Marshall Plan**, is a strategic initiative launched in **October 2014 by China** (now involving 57 countries) with the establishment of the Asian Infrastructure Investment Bank (AIIB).⁽¹⁾ The following month the Chinese government announced the creation of the **USD 40 billion Silk Road Fund**.⁽²⁾

The purpose of “One Belt and One Road” is to encourage collaboration and economic development by **improving infrastructure, facilitating trade and increasing cultural exchanges** between many of the original Silk Road countries. One goal is to create a community with closer economic, cultural and political ties.⁽³⁾



Two key routes make up “One Belt and One Road” which covers most of the traditional Silk Road countries and regions:

- The land bridge known as **The Silk Road Economic Belt** - connects **Xinjiang to Central Asia and Europe** on land through extensive rail and pipeline development. The traditional Silk Road includes Afghanistan, Iran and Eastern Europe.
- **21st Century Maritime Silk Road** - links the South China Sea, Indian Ocean, Red Sea, Mediterranean Sea and Europe, covering countries on three continents. This is similar to the routes of the original Silk Road including the voyages of the 15th century Admiral Zheng He. Click [here](#) to learn more about Admiral Zheng's extensive voyages which took place before Columbus set sail from Europe.⁽⁴⁾

Countries that lie along the “One Belt and One Road” accounted for over 20% of Chinese exports in 2014. This figure has grown at a compound annual rate of 11.7% over the past three years.⁽⁵⁾

The primary goal of the Maritime Silk Road is to facilitate trade between Mainland China and Southeast Asia. The strategically-located Port of Hong Kong is expected to serve as a major gateway.⁽⁶⁾ **Hong Kong provides comprehensive liner shipping services**, with about 350 weekly services connecting to over 500 destinations worldwide. Its status as an international financial center, logistics hub and free port will contribute to the success of the “One Belt and One Road”.⁽⁷⁾

Please let us know if you have any questions, or would like more information about the “One Belt and One Road” initiative.



Map of Silk Road Economic Belt and Maritime Silk Road

(Source: Xinhua, Barclays Research)⁽⁵⁾

For the map of Ancient Silk Road, please view at this link:

http://www.chinatourguide.com/china_photos/Silk_Road/Maps/silk_road_entire_map.jpg (Source: ChinaTourGuide.Com)⁽⁸⁾

Endnotes:

- (1) Presentation materials of Mrs. Regina Ip, a member of the Legislative Council of Hong Kong, on August 5, 2015
- (2) South China Morning Post (October 19, 2015), How China Successfully Redrew the Global Financial Map with AIIB, <http://www.scmp.com/news/china/policies-politics/article/1859315/how-china-successfully-redrew-global-financial-map-aiib>
- (3) The Diplomat (May 9, 2014), China's 'New Silk Road' Vision Revealed, <http://thediplomat.com/2014/05/chinas-new-silk-road-vision-revealed>
- (4) Ming Pao Daily News (February 2, 2015), 一帶一路陷阱與生機 (The Pitfalls and Opportunities of 'One Belt and One Road'), http://www.mingpaocanada.com/van/htm/News/20150202/tcbf1_r.htm (in Chinese)
- (5) The Journal of Commerce (July 3, 2015), Investment Floods into China's One Belt, One Road Strategy, http://www.joc.com/international-trade-news/investment-floods-china%E2%80%99s-one-belt-one-road-strategy_20150703.html?mgs1=aebbkpgr8w
- (6) China Daily Hong Kong Edition (July 16, 2015), 'One Belt, One Road' a Boon for HK
- (7) South China Morning Post (November 4, 2015), Room for HK in 'One Belt, One Road' Initiative
- (8) ChinaTourGuide.Com, the Complete Silk Road Map, http://www.chinatourguide.com/silk_road/silk_road_maps.html