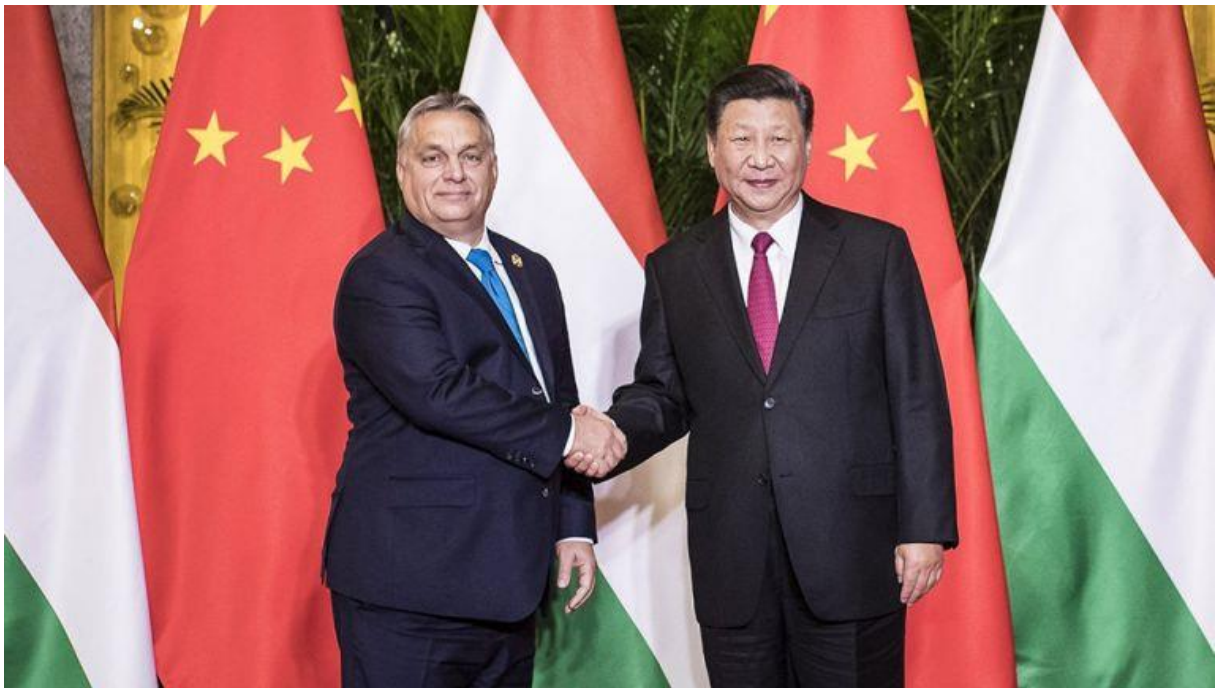


Xi Jinping's state visit to Europe: Towards a 'strategic convergence'?

Scott N. Romaniuk

In recent months, China has been working to defuse tensions, stabilise relations, and emphasise their 'common interests over differences'; Xi's visit to Europe is part of this effort.



Credit: AboutHungary

Introduction

President Xi Jinping has arrived in Europe for the first time in five years. From May 5 to 10, China's leader will visit France, Hungary, and Serbia. Xi's last visit to Europe was in May 2019, when he made a state visit to Italy. Since that time, the international relations between China and the European Union (EU) have been under pressure. While both see each other as important partners for economic cooperation and have shared values, the EU also views China as an economic ['competitor and systemic rival'](#). Chinese Foreign Minister Wang Yi

responded to the EU's characterisation of China by emphasising that the common interests between the two 'outweigh' their differences, stating that 'China and Europe do not have clashing fundamental interests between them or geopolitical and strategic conflicts'. Xi's visit to Europe is part of a wider Chinese state effort over the past few months to relieve tensions between China and the EU, stabilise relations, and highlight their 'common interests over differences'. Despite the existing tensions and pressures, Xi's trip aims to rebuild ties between the EU and China.

Prime Minister Giuseppe Conte led the Italian government during Xi's 2019 visit, formally inking a partnership agreement with the Belt and Road Initiative (BRI), making Italy the first G7 nation to participate in the multitrillion-dollar undertaking. On December 6, 2023, Italy made a formal declaration that it would not be renewing the memorandum of understanding (MOU) it had established in 2019 regarding its involvement in the BRI. China has significantly contributed to developing nations via its BRI, which has comprised [infrastructure development projects and investments](#) in modern highways, airports, high-speed railways, bridges, industrial parks, and power plants. Launched under Xi in 2013, the BRI has served as an important link between Asia, Europe, and Africa, addressing longstanding global infrastructure gaps.

Xi's visit: significance and priorities

What has been straining EU-China relations since Xi's 2019 visit? From the EU's perspective, the primary points of friction in the EU-China relationship stem from China's i) foreign security policies and ii) economic policies and activities. The EU specifically attributes the complexity of the EU-China relationship to China's domestic repression and perceived assertiveness in its political and economic approaches abroad. Economically, the EU has described China's foreign economic policies and approaches as coercive, including boycotts of EU goods and competition through export controls, market access, and investment. The EU sees an imbalance in [EU-China trade relations and at the 10th High Level Economic and Trade Dialogue](#) on September 25, 2023, the EU expressed concerns about China's domestic business environment, in which barriers to EU companies have emerged, thereby creating the perception of an unfair and imbalanced system. Concerns have also centred on the European car manufacturing and energy sectors. Pressures on the relationship also extend

from the EU's description of China's foreign and security policies. Particularly, China's position on Russia's invasion of Ukraine and protracted war, which French President Emmanuel Macron has described as 'existential' for Europe, is a major friction point. Environmental practices, climate change, global supply chains, debt relief, and sustainable finance have also remained at the core of EU-China tensions.

France

Xi's visit to France coincides with the 60th anniversary of China-France diplomatic ties' establishment. For decades, the two countries have cooperated in areas such as trade, energy, and education. For hundreds of years, Chinese intellectuals have received their educational training at leading French education institutions. France and China's cultural exchanges and ties are also reflective of a deep study and mutual admiration of one another's cultural history. Economic activities have been a strong foundation of the Franco-Sino relationship, illustrating the cordiality between both despite differences. For nearly thirty years, [French exports to China](#) have increased at a rate of 8.54% annually. Whereas in 1995, annual bilateral trade was \$2.75 billion USD, trade volume in monetary terms will reach \$24.5 billion USD in 2022. The Observatory of Economic Complexity (OEC) ranked the [complexity of the Franco-Sino trade relationship](#) 24 out of 124, with trade taking place in over 21 broad sectors.

The vicissitudes of Franco-Sino relations are also expected to be the focus of discussions during Xi's state visit. There are two of them: trade issues and China's support for Russia in its war with Ukraine. The Middle East is also on the agenda. The latter is a crucial issue for Macron, who stated during an interview with the Economist that a key objective is to 'get China to weigh in on the stability of the international order'. In relation to the former, and despite deepening trade relations, Macron has stated the need to defend Europe's 'strategic interests', criticising China for not respecting the rules of international trade. Human rights groups have also pressured Macron to address China's policies towards the rights of the [Uyghur Muslim minority in Xinjiang](#), the erasure and censure of Tibetan culture, and the detention of journalists.

Hungary

Xi's state visit to Hungary coincides with the 75th anniversary of the establishment of diplomatic relations. The two countries, however, have a strong and evolving diplomatic history. Hungary was one of the first countries to [recognise the People's Republic of China \(PRC\)](#) in October 1949. Regular, high-level meetings mark their political and diplomatic relations. Substantial trade and investment have resulted from many bilateral meetings, with positive impacts seen across the fields of science, education, culture, and tourism. Every year, [Hungary's attractiveness to Chinese investment](#) sentiment increases. As of 2024, there are more than 400 Chinese companies in Hungary that employ approximately 20,000 staff. BorsodChem, which is now owned by Wanhua Chemical Group, is the largest of them and generates nearly HUF 1.2 trillion annually.

Between 2009 and 2019, the number of [Chinese tourists to Hungary](#) steadily increased, reaching over 61 million. The Magyar Turisztikai Ügynökség (Hungarian Tourism Agency) reported that the number of [Chinese tourists arriving in Hungary](#) from January to July 2023 nearly quadrupled during the same period as the previous year. Chinese electric vehicle (EV) battery manufacturing in Hungary has seen large growth, resulting in more than \$10.9 billion USD in investments. In 2023, approximately €8 billion of the €13 billion that Hungary attracted in foreign direct investment (FDI) was from China. Despite disturbances, particularly the deterioration of the Soviet-Sino nexus during the 1960s and 1970s, Hungarian-Chinese relations have remained stable and continue to strengthen, nearly ten years after the first [China-Hungary 'Belt and Road' working group meeting](#) in Beijing on November 30, 2016.

Serbia

Xi's visit to Serbia coincides with the United States's (US) bombing of the Chinese embassy in Belgrade precisely 25 years ago. In 2009, Serbia and China established strategic partnership relations. Xi, the first Chinese president to visit Serbia in thirty years, strengthened the partnership and elevated it to a comprehensive strategic partnership in 2016. Serbia and China signed an agreement in 2016 on the mutual visa exemption for ordinary passport holders. Both countries have maintained strong political dialogue, and

[Serbian President Aleksandar Vučić](#) visited China again in October 2023 to participate in the Third Belt and Road Forum for International Cooperation. In 2022, the two traded approximately \$6.15 billion USD, making China Serbia's second-most important trading partner. Today, China is Serbia's most important foreign trading partner.

Similar to other countries, China has made significant investments in the [energy and infrastructure sectors](#) of Serbia. The Pupin's Bridge (Zemun–Borča), the Miloš Veliki highway, and the Kostolac Thermal Power Plant reconstruction are noteworthy instances. An additional instance of Chinese involvement in Serbia's automotive sector was its 2019 investment in the Zrenjanin tire factory. Concurrently, Yanfeng Automotive Interiors, a Chinese automobile manufacturer, established its operations in Kragujevac. The trilateral project of modernising and reconstructing the [Belgrade-Budapest railway route](#) is another product of the cooperation framework and activities between China, Central and Eastern Europe, and Hungary. The Chinese Ambassador to Serbia, Li Ming, recently conveyed the anticipation that the upcoming visit of Xi to Serbia will foster improved relations between the two nations, particularly in the domains of agriculture, technology, trade, and infrastructure.

Conclusion

Politically, Xi's visit to Europe appears to symbolise the bridging of diplomatic divides, similar to how his BRI has bridged infrastructure divides. Economic activities comprise the essence of both and have elicited comparable levels of acclaim and censure in regards to Chinese initiatives and growth. Reflecting international perspectives on Chinese economic initiatives and European stances on Chinese investments, development initiatives, and foreign and security policies is neither definitively favourable nor critical. In contrast, Europe and its heterogeneous coalition of state and non-state actors hold divergent positions concerning Xi, China, and the Chinese system. Although Macron's opposition to China's presence in Europe is not especially powerful, he is a staunch supporter of safeguarding EU markets and preserving [European strategic autonomy](#). The reciprocal reception and contentious nature of Xi's visit have far-reaching implications that transcend France, Hungary, and Serbia, encompassing the EU, the broader continent, and the realm of state-to-state relations. Xi's visit serves as a demonstration of the diversity of state

interests, competitiveness, and policy sovereignty, in addition to addressing the common challenges of diplomatic relations between nations.

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