Entrepreneurship and Innovation
2025, VOL. 9, NO. 5, 172-176
DOI: 10.47297/wspeiWSP2516-253536.20250905

Legal Analysis of Infrastructure Plans by the US, EU, and India versus the "Belt and Road Initiative"

Zhiwei Xu

Law School, Dalian Maritime University, Dalian, Liaoning, 116000, China

ABSTRACT

In recent years, the United States' "Build Back Better World," the European Union's "Global Gateway," and India's "Asia-Africa Growth Corridor" have been introduced, forming a competitive situation with China's the Belt and Road Initiative. From the perspective of global economic governance and geopolitics, combined with relevant international law theories and domestic legal practice, this paper analyzes the possible violation of the principle of non discrimination in the compliance review of the infrastructure projects of the United States, Europe and India, sorts out the legal risks faced by the "Belt and Road" such as investment protection and environmental compliance, and puts forward coping strategies such as promoting the formulation of international rules by improving the legal system, aiming to provide reference for the smooth progress of the "belt and road initiative" and help with legal issues in the global infrastructure competition.

KEYWORDS

Infrastructure initiatives of the U. S., Europe, and India; Belt and Road Initiative; Non-discrimination principle; Legal risks; International rules

1 Introduction

In 2013, China put forward the "Belt and Road Initiative”. Since then, the plan has promoted global economic cooperation. Many countries along the "Belt and Road" have participated in the project to achieve infrastructure improvement and economic growth. However, in recent years, the international political and economic pattern has changed dramatically because the United States, the European Union, India and other countries have put forward new global infrastructure plans, such as the B3W plan of the United States, the "Global Gateway" plan of the European Union, and India's "Asia-Africa Growth corridor". The author believes that on the surface, these plans seem to promote the development of global infrastructure, but in fact form a competitive relationship with the "Belt and Road Initiative", and even are targeted at China in some aspects.

Infrastructure projects were originally an effective plan to promote the development of the global economy, but now they have gradually become a tool for the game between big countries, and the global infrastructure pattern has become increasingly complex. Moreover, infrastructure projects are also closely related to global economic governance. There are some problems that need to be studied and solved urgently, such as how the newly launched infrastructure plan affects the "Belt and Road", whether they have legal compliance issues, and how the "belt and road" should deal with these difficulties and obstacles and ensure its smooth operation. This paper will start from these aspects, combined with the existing theories and laws, and try to analyze, hoping to provide some help for relevant research.

2 Literature review

In the study of global order and infrastructure competition, many scholars have put forward influential views from different perspectives, providing a theoretical basis for our understanding. John Ikenberry mentioned when studying the change of global order that the hegemonic status of the United States is being threatened and challenged. Emerging economies are committed to infrastructure projects and gradually expand their influence [1]. This view is reflected in the "Belt and Road Initiative". As a representative of emerging economies, China has improved its position and voice in the global infrastructure field through various infrastructure cooperation. Joseph Nye put forward the theory of "Soft Power". He believed that infrastructure projects were an important manifestation of national soft power, especially for large countries. If they wanted to enhance their influence in the world, they should do well in infrastructure construction [2]. The reason why the "Belt and Road Initiative" can attract many countries to participate is that China has demonstrated its strong soft power to the world through infrastructure cooperation, thereby attracting more countries to participate in the "Belt and Road Initiative".

David Shambaugh analyzed the impact of the “Belt and Road Initiative” on the world. His view is that the “Belt and Road Initiative” has good geopolitical and economic effects, which not only optimizes the international geopolitical pattern, but also promotes economic cooperation between China and countries along the belt and road initiative [3]. Amitav Acharya has studied the multilateral cooperation in Asia. He believes that the infrastructure plans launched by the

United States, Europe and India will largely affect the development of the "Belt and Road" in Asia, because these plans are likely to steal the cooperation resources of some Asian countries, which is not conducive to the smooth implementation of the "Belt and Road" [4]. However, Amitav Acharya may underestimate the initiative of developing countries. Developing countries often use competition with major countries to obtain better cooperation, rather than simply choose to stand in different teams. Wang Jisi proposed the "Westward Strategy". He hoped that China would strengthen cooperation with Europe and Central Asia to effectively respond to and resist the threat and competition from the United States, Europe and India, which could also be used as an idea for the adjustment and optimization of the "Belt and Road Initiative" [5].

The global infrastructure competition and the "Belt and Road Initiative" describes how the "Belt and Road" will be affected under the background of fierce global infrastructure competition, and how global infrastructure will be from different perspectives [6]; *Geopolitics and global economic governance* studies how geopolitics plays a role in global economic governance and brings different impacts to different countries [7]; *The strategic adjustment of the "Belt and Road Initiative"* studies how the "Belt and Road" can face the challenges of fierce global competition and puts forward a series of available solutions and help [8].

However, there are still deficiencies in the existing research: the first point is that the analysis of the legal compliance of the infrastructure plans launched by the United States, Europe, India and other economies is relatively weak; The second point is that there is no response strategy for the legal risks that may be encountered in the process of promoting the "Belt and Road" initiative.

3 Main body

3.1 The competitive situation between the infrastructure projects of the United States, Europe and India and the "Belt and Road Initiative"

Judging from the current situation, the infrastructure plan launched by the United States, Europe and India and the "Belt and Road" have a competitive situation in terms of cooperation objects and project fields. In terms of cooperation objects, the United States, Europe and India regard some countries along the "Belt and Road" as key cooperation targets, such as some countries in Southeast Asia and South Asia, which originally had more cooperation with China in the field of infrastructure. Now the United States, Europe and India attract these countries to participate in their infrastructure plans by providing financial support, technical assistance and other means, trying to divert cooperation resources.

In the field of projects, transportation, energy and other infrastructure construction are the focus of competition. Taking the transportation sector as an example, the railway projects promoted by the “Belt and Road Initiative” in Southeast Asia may face competition from the transportation projects related to the EU's "Global Gateway" program; In the field of energy, the B3W plan of the United States focuses on clean energy projects and forms a competitive situation with the energy cooperation projects of the "Belt and Road". In addition, the United States, Europe and India have also set up obstacles in compliance review, such as too strict compliance requirements for Chinese enterprises to participate in their infrastructure plans, and restrictions on domestic enterprises' participation in the "Belt and Road" projects. This unfair mode of competition has brought many obstacles to the promotion of the "Belt and Road".

3.2 The principle of non discrimination in the US, Europe and India based construction compliance review

The principle of non discrimination is one of the basic legal principles of WTO, which requires all countries to treat other members fairly, fairly and equally. However, there are some violations of the principle of non discrimination in the infrastructure compliance review of the United States, Europe and India, mainly in the following three aspects:

The first is the issue of policy transparency. Some infrastructure policies of the United States, Europe and India are very confidential, not open and transparent, and will not be announced to the outside world in advance, which is very unfriendly to Chinese enterprises, because when participating in their infrastructure projects, it is difficult to accurately understand their compliance requirements, and the project cannot be successfully completed, which is unfair treatment. For example, in the EU's "Global Gateway" program, there is no clear document on the requirements and procedures for compliance review. Chinese enterprises can only tentatively try and operate, which seriously affects and destroys the cooperation with enterprises in other countries, leaving Chinese enterprises in an extremely unfavorable position, and may even be excluded from the project due to non-compliance with the standards.

The second is the issue of market access barriers. The United States, Europe and India have set unreasonable market access barriers for Chinese enterprises to participate in local infrastructure projects, and have restricted the participation of Chinese enterprises through complex compliance review procedures and excessive technical standards. For example, in the B3W plan, the United States has put forward strict environmental protection and labor standards for the enterprises participating in the project, which are far higher than the international general standards. However, Chinese enterprises are different from the United States in these standards, and are excluded from the project if it is difficult to meet the requirements. For another example, India's "Asia-Africa Growth Corridor" plan tends to cooperate with domestic enterprises or European and American enterprises, but sets many restrictions on the participation of Chinese enterprises, such as special requirements on investment ratio and project approval, which makes it difficult for Chinese enterprises to participate in the competition fairly.

The third is the basis of international law. Some infrastructure policies of the United States, Europe and India lack a clear basis of international law and are not formulated in accordance with internationally accepted rules, violating the principle of non discrimination. For example, in the review of Chinese enterprises' participation in infrastructure projects, they did not follow the relevant rules of the WTO, but set standards according to their own political will, and took discriminatory measures against Chinese enterprises, which is obviously not in line with the requirements of international law.

The author believes that if these behaviors of the United States, Europe and India cannot be corrected, it will not only affect the promotion of the "Belt and Road Initiative", but also undermine the order of global infrastructure cooperation, and is not conducive to global economic development.

3.3 Legal risks faced by the "Belt and Road" under the framework of international law

In the process of promoting the "Belt and Road" initiative, there are many legal risks under the framework of international law. If these risks cannot be effectively addressed, they may affect the implementation of the project, and even bring huge losses to Chinese enterprises in serious cases.

The first point is the risk of investment protection. Countries participating in the "Belt and Road initiative" have huge differences in the investment environment and legal system. Some countries may make claims against Chinese enterprises by modifying domestic laws or using international arbitration. For example, in some infrastructure projects for mineral resources development, local countries may require Chinese enterprises to re sign contracts or increase taxes due to the adjustment of resource policies. If Chinese enterprises do not agree, local countries may force enterprises to withdraw from the project through legal means without giving reasonable compensation, which brings greater investment risks to China. In some other countries, the judicial system is not perfect enough and judicial injustice occurs. Sometimes when Chinese enterprises face investment disputes, it may be difficult to safeguard their legitimate rights and interests through local justice.

The second point is the risk of environmental protection and social responsibility. Nowadays, the global attention to environmental protection and social responsibility has been continuously improving, so the "Belt and Road" is also facing more stringent requirements and concerns. In terms of environmental protection, some countries with high environmental protection standards have very strict environmental requirements for infrastructure projects. If the environment is damaged and polluted, they will file legal proceedings. For example, in the "Belt and Road" project in Europe, local environmental protection organizations will specially assess the environment. If the environmental protection measures are not in place, it is likely to file a lawsuit with the court and require the project to be stopped for rectification, which is not conducive to the project construction, because it will not only delay the construction period, but also increase the cost of enterprises' investment in the project. Therefore, enterprises in more countries now pay attention to environmental protection to avoid legal proceedings and other troubles. In terms of social responsibility, some countries have very high requirements for safeguarding the rights and interests of workers, and the individual rights of workers cannot be violated. If the enterprise has any behavior that damages the labor rights and interests in the process of project construction, such as wage arrears, it may face legal risks.

The third point is compliance risk. Because the compliance requirements of different countries are different, it is easy for Chinese enterprises to face compliance risks when participating in the "Belt and Road" project because they do not understand the local legal rules of foreign countries. For example, enterprises in some Middle East countries have special requirements on religious beliefs, cultural customs and other aspects. Enterprises in other countries need to comply with and respect these requirements. If enterprises fail to comply with these requirements in the project, they may be severely punished by the local government, which is a very difficult point. Some other countries have very strict laws on data security and privacy. If enterprises in other countries do not follow these laws in the project, they may also face risks.

The fourth point is geopolitical risk. Perhaps some countries are trying to use geopolitical factors and legal means to severely suppress and restrict Chinese enterprises in many aspects for political purposes. For example, some western countries have regional prejudice against Chinese enterprises' participation in local projects, so they try to restrict the participation of Chinese enterprises through legislation or other means, which is extremely unfair to Chinese enterprises. The author believes that the so-called "national security" of these countries is only an excuse to prohibit the Chinese state from participating in the project in the fields of transportation and other fields, and to conduct a more stringent review of the investment of Chinese enterprises. Sometimes, it will deliberately delay the time of project approval, in order to make the project unable to advance smoothly and expel Chinese enterprises.

3.4 Strategies for China to deal with legal risks and enhance competitiveness

In order to cope with the challenges brought by the infrastructure plan of the United States, Europe and India and overcome the legal risks in all aspects, the author believes that China urgently needs to take some effective strategies to safeguard its legitimate rights and interests and enhance its competitiveness and influence in global infrastructure. The following are the five points summarized by the author.

First, improve the domestic legal system. The author believes that China's laws on domestic infrastructure are not comprehensive and complete, and need to be formulated and improved, which provides more powerful legal protection for Chinese enterprises in international competition. For example, in terms of overseas investment, it is necessary to further improve *The measures of the people's Republic of China for the administration of overseas investment*, understand some specific approval processes for overseas investment, and clearly write down the management requirements of different departments, so that Chinese enterprises can have laws to abide by when investing abroad and are no longer confused. At the same time, China also needs to formulate more laws and regulations for the "Belt and Road" project, and more detailed specifications for details, such as project approval, financing and other links, to ensure the smooth implementation of the project [9]. In addition, the author believes that China should strengthen the protection of intellectual property rights and improve the relevant legal system, in order to ensure that Chinese enterprises' technological innovation in the "Belt and Road" project is not unfairly treated, and can not be bullied and countered by other big countries.

Second, promote the formulation of international rules. China needs to more actively participate in the formulation of international rules and work with other countries to establish a more fair and transparent legal framework for international infrastructure, which can also improve China's international status. For example, China can use BRICs countries, SCO and other cooperation platforms to discuss the formulation of international infrastructure rules at the meeting, express China's views, and advocate more fairness and justice. At the same time, China also needs to strengthen and increase cooperation with international organizations, such as the United Nations Development Programme and the world bank, so as to improve China's voice in the formulation of international rules. It should be noted that in the process of rule making, China should also emphasize the principle of non discrimination and the principle of fair competition, uphold fairness and justice, oppose trade protectionism, unilateralism and other hegemony, and should not allow major powers to use their privileges to suppress other countries, in order to create a safer International environment for the implementation of the “Belt and Road Initiative”.

Thirdly, strengthen the application of international law. The author believes that China needs some legal means, such as international arbitration and WTO dispute settlement mechanism, to effectively safeguard the legitimate rights and interests of domestic enterprises and fight against many unfair treatment. In the face of investment disputes, enterprises should be encouraged to use the international arbitration mechanism more flexibly to solve problems, which can effectively resolve conflicts and have legal basis. For example, an enterprise can file an arbitration with the arbitration court of the International Chamber of Commerce, the China International Economic and Trade Arbitration Commission and other similar institutions to protect its legitimate rights and interests. In addition, it is also necessary to strengthen the government's support for enterprises, provide relevant legal advice and assistance for enterprises, and provide legal training for relevant personnel of enterprises, so as to help enterprises make correct decisions in the face of various international arbitration. For example, when facing the unfair treatment of the United States, Europe, India and other countries, Chinese enterprises make more use of the WTO dispute settlement mechanism to appeal against their discriminatory policies to safeguard the interests of their own enterprises, which is a powerful and effective means.

Then, enhance the enterprise's compliance ability. The author believes that many Chinese enterprises lack legal awareness and need to set up some legal training to improve the compliance ability of Chinese enterprises in the international market, which can effectively reduce the relevant legal risks. For the government, the government can cooperate with universities, legal institutions, etc. to provide legal training for domestic enterprises participating in the "Belt and Road" project. The training content can include the legal provisions and compliance requirements of different countries. There can be no more cases of implementing the project in the wrong way because they do not understand the laws of other countries. The author believes that domestic enterprises can conduct more exchanges and cooperation, share the experience of compliance management with each other, and avoid irregular behavior when cooperating with foreign enterprises.

Finally, strengthen bilateral and multilateral cooperation. China should reach more bilateral and multilateral agreements to establish closer relations with other countries during this period and avoid some unnecessary legal conflicts. First, in terms of bilateral cooperation, China can sign effective agreements such as bilateral investment protection agreements with countries along the "Belt and Road" to jointly negotiate the rights and obligations of both sides, which can also provide strong legal protection for domestic enterprises. The author believes that China should also strengthen communication and consultation with major countries such as the United States, Europe and India, understand the legal differences between the two sides in infrastructure cooperation, find effective solutions, and avoid more legal conflicts as much as possible. Secondly, in terms of multilateral cooperation, China should actively participate in the legal cooperation projects of some regional economic organizations, coordinate the existing unreasonable legal rules in the region, and build more reasonable and win-win legal provisions, which can also create a good legal environment for the effective implementation of the "Belt and Road" project.

4 Conclusion

In this paper, the author analyzes the competition situation between the US, Europe and India infrastructure plan and the "Belt and Road", the non discrimination principle in the compliance review of the US, Europe and India infrastructure, the legal risks faced by the "Belt and Road" under the framework of international law, and China's strategies to deal with legal risks and enhance competitiveness.

The study found that there is a competitive relationship between the US, Europe and India infrastructure plan and the "Belt and Road Initiative", and the US, Europe and India violated the principle of non discrimination in infrastructure compliance review; In the process of promoting the "Belt and Road Initiative", it also faces legal risks in investment protection, environmental protection and social responsibility, compliance, geopolitics and other aspects.

In order to deal with these problems and obstacles, the author believes that China should focus on improving the domestic legal system, promoting the formulation of international rules, strengthening the application of international law, improving the compliance ability of enterprises, and strengthening bilateral and multilateral cooperation. Through these measures, we can effectively deal with the difficulties brought by the infrastructure plan of the United States, Europe and India, reduce the legal risks faced by the "Belt and Road Initiative", and effectively enhance China's competitiveness and influence in global infrastructure.

References

[1] John Ikenberry. Changes in the Global Order and the Rise of Emerging Economies[M]. 2020.

[2] Joseph Nye. Soft Power[M]. Beijing: CITIC press,2018.

[3] David Shambaugh. Analysis of the Global Impact of the "Belt and Road Initiative"[J]. International Political Studies,2019,40(03):56-72.

[4] Amitav Acharya. Multilateral Cooperation in Asia and the Impact of Infrastructure Projects in the United States, Europe and India[J]. Asian Studies,2021,38(02):34-48.

[5] Wang Jisi. "Westward Strategy" and China's Thinking of Coping with Global Infrastructure Competition[J]. Modern international relations,2020,(05):12-18.

[6] Compilation team of The global infrastructure competition and the "Belt and Road Initiative". Compilation team of global infrastructure competition and the "Belt and Road Initiative"[M]. Shanghai: Shanghai People's Publishing House,2022.

[7] Zhang Ming. Geopolitics and Global Economic Governance[M]. Beijing: China Social Sciences Press,2021.

[8] Li Xiangyang. Strategic Adjustment of the "Belt and Road" Initiative[J]. Economic research,2020,55(07):23-35.

[9] National Development and Reform Commission of the people's Republic of China. The measures of the people's Republic of China for the administration of overseas investment[Z]. 2022.