

# Research on Global Oil Importing Trade in the Context of China OBOR Initiative

ASIRI MOHAMMED ABDULRAHMAN Y, LIU CHENG  
Department of Management Science and Engineering,  
University of Science and Technology Beijing,  
30 Xueyuan Road, Haidian District, Beijing 100083 P. R.China  
Asirimohammed18@hotmail.com; iucheng@ustb.edu.cn

*Abstract.*-In the global context of energy demand today, oil represent essential natural resource capable to impact positively the economical development of a country. China has longer been significantly looking to new ways to increase its economic impact around the global. Since country started bilateral cooperation with most of western countries, Beijing has encouraged multiples initiative (political, securities, economical) projects with Arabic countries. Today, with the new One Belt One Road (OBOR) initiative launched by president XI, China is engaged in large process to help more than 200 countries around the globe to develop their national infrastructures. Since other countries such US still give more attention in oil importation, China has strengthen its bilateral cooperation with the rest of the world. In this essay, we develop an analysis strategy based on data from oil exporter countries; this essay design a synoptic data on two phases(phase1 from 2009 to 2013, phase two from 2014 to 2016). Also, the innovative essay puts forward suggestions to increase significantly oil trade between China and oil producer countries with One Belt One Road, encouraging win-win consideration on bilateral partnership.

*Keywords:* Middle-East, China, OBOR initiative, Oil, bilateral cooperation, Economy.

## 1 Introduction

United States long time considered as global producer are used advanced technologies to extract oil and gas from rock formations where technologies were previously inaccessible to the rest of the world. In this growth of oil production in the United States, the country increased its global position from one of the world's largest producer to one of the world's largest importers of oil and gas. This situation impacted considerably many oil producers in the scenario of energy trade and in the same context reshaped geopolitical dynamics. United States started its dependence on foreign oil and gas resources. Although the rise in United States oil production threatens the traditional rule of the OPEC market, major producers such as the Arab countries (the Gulf States) launched price wars to strengthen their economies and this situation leaded to a free fall in oil prices.

Such as most of natural resources, oil represents today an important material for economic growth and social development in all countries. Today, with the "One Belt and One Road" (OBOR) initiative launched by China, countries around the world now have the opportunity to act as equal partners to directly

communicate and participate in the social development of the states. Thanks to China, the borders that once blocked low-income economies have now been broken and made room for openness and exchange between the two countries.

With modification in geopolitical concept new interests and preoccupations concerning global environment where China presents new some strategically presence; the cas in Middle East and Asia Pacific. As a matter of fact, with United States as main importer oil, many countries such as China or Russia started to give more attention to United states. Several producers such as Saudi Arabia and the rest of Arabic countries also enjoyed security and political stability during long period. Today, United States are still claiming be enrolled in a mission of peace and security inside GCC countries. But main Arabic states are seeing this US presence as strategically guarantee based on oil production. The situation of deceleration with geopolitical turmoil in Arabic countries does not impacted China government in its ambitions to develop Free Trade Agreement and promote its global implication in all Arabic countries. on the contrary, Beijing has during this period

strengthen its power and participation and different program in Middle East region [1].

Strengthening energy cooperation among countries through the activities of the Belt and Road Initiative is now promoting greater regional cooperation and promoting the prosperity of the global economy [2]. At present, China's energy development and its help and participation represent a very high investment. Since becoming a net importer of oil in 1993, China's demand for oil has been growing steadily. In 2015, net oil imports reached 3.34 million tons, and external oil supply reached 60%, which is still rising. In view of the rapid development of China's economy and the continuous adjustment of industrial structure, the demand for oil and other energy sources continues to grow.

After he has been elected as the new president of China, the president Xi has considered energy and trade interests as one of the essential driver of the new China policy to strengthen China's position on a global scale. China has today developed advanced reflections according to various events that have occurred in the Middle East during these recent years, and most of them are through the perspective of revolutionary ideas, and today most of its bilateral relations with Arab countries are motivated by trade partnership programs in the Persian Gulf. China today has a leading position in the Middle East region where it is considered as the largest exporter of oil and gas. As far as foreign policy is concerned, China regards the Middle East area as a very strategic area and a potential booster for the rest of the Arab countries. At the same time, China has not stopped diversifying the list of its main suppliers in oil and gas. China is now actively participating in the construction of infrastructure such as ports, to facilitate this new exchange [3], [4]. According to the official European research institute for petroleum research, China must reconsider its policy toward the Middle East because of falling oil prices, threats of terrorism and falling demand for gaz. Conversely, readers estimate that China's energy consumption has shifted from domestic coal to clean imported fossil fuels. However, for the foreseeable future, Chinese scholars agree to say that China's energy security and other commercial interests remain an important part of the trade route to Europe and Africa in the region. This is also important because some of that countries in that region are also members of the Asian Infrastructure Investment Bank, considered as one of China's new international development

2

banks, which seeks to expand infrastructure investments in the following ways. global cooperation. A lot of resources support the development of the Middle East.

This paper analyzes the global oil geopolitics and the structure of China's oil trade; article focuses on the positive developments between China's exchanges and bilateral exchange programs, China is currently providing valuable assistance, and oil producing countries regard the Belt and Road Initiative as Develop means of win-win communication. . China is the world's largest energy consumer. In the implementation of the Belt and Road Initiative strategy, the situation of China's oil import trade will directly affect the Belt and Road Initiative strategy, the overall import trade and even the in-depth implementation of the economy. as a whole. With the initiative of the Belt and Road Initiative, more and more countries are turning to China, hoping to benefit all economic actors equally through trade and interests.

Many research have been done concerning the impact of oil production and consumption around the world, some countries such including China, the United States and European countries have been observed in their demand and dependence in this resources.

Teng (2014), (Liu et al. 2016), Wang (2016), Zhu (2016), Wu (2016) and other researchers have put forward specific countermeasures and suggestions as part of the "Belt and Road" strategy. His research goals also make it possible to understand the stakes of oil-producing countries in the face of good management of this important resource. However, this study lacks quantitative analysis and research on the system. This paper combines the strategy of the Belt and Road to build an economic model of win-win exchange. The approach uses this model to analyze the influencing factors related to China's oil imports; it proposes countermeasures and suggestions for China's cooperation with other countries on the basis of the oil trade.

## 2 OBOR Today as Global Program

There is significant number and contribution of research since OBOR initiative has been launched. From 2013 to 2018, 85 countries officially are contributing and participating to OBOR project [5]:

Classified by regions, we have :

1.From Latin America: Venezuela(expressed interest), Peru(expressed interest), Chile

(expressed interest), Bolivia(expressed interest), Brazil, Argentina(expressed interest).

2. From North America: Canada(expressed interest).

3. From Oceania: Tonga(expressed interest), Samoa(expressed interest), New Zealand, Fiji(expressed interest), Australia.

4. From Sub-Saharan African: Burundi, Comoros(expressed interest), Ethiopia, Guinea, Kenya, Madagascar(expressed interest), Mauritania, Mauritius, Mozambique, Rwanda, Seychelles, Somalia(expressed interest), South Soudan, South Africa, Sudan(expressed interest), Tanzania, Uganda, Zambia, Zimbabwe.

5. From Europe: Armenia(expressed interest), Austria, Azerbaijan, Belgium(expressed interest), Cyprus, Denmark, Finland, France, Germany, Greece(expressed interest), Hungary, Iceland(expressed interest), Italy, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal,

Romania(expressed interest), Russia, Spain, Sweden, Switzerland, Turkey, United Kingdom,.

6. From Middle-East and North Africa: Algeria, Bahrain, Djibouti, Egypt, Iran, Israel, Jordan, Kuwait(expressed interest), Morocco(expressed interest), Oman, Saudi Arabia, Tunisia(expressed interest), United Emirates, Qatar.

7. From Central Asia: Kazakhstan, Kyrgyz Republic, Tajikistan, Uzbekistan.

8. From South East Asia: Cambodia, Hong Kong, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste (expressed interest) (expressed interest), Vietnam.

9. From South Asia: Afghanistan (expressed interest), Bangladesh, India, Maldives, Nepal, Pakistan, Sri Lanka.

10. From East Asia: South Korea.



Figure1. New OBOR roadmap(Left), Countries actually attending OBOR Initiatives (Right).  
Sources: From Global Market, 2015.

OBOR initiative is bringing all countries inside a great idea. OBOR initiative represents one of the most global project never launched Chinese government since the leadership was established. This project is not about single routes but it is the way of connectivity between Africa, Europe and Asia to resolve together trade facilities and investment issues. It will

promote also regional economical integrations. Today, many global markets that was not part of the original plan, planning now to take participation to the new OBOR project. From Africa America to Asia and Africa to Oceania, all that people are seeing the “Belt and Road” project as very inclusive and very extensive.

### 3 OBOR Concept and Review on Situation of China Oil

Since the beginning of the Chinese government policy reform process in 1987, China's oil demand has been rising. An analysis of oil production between 1979 and 1979 clearly shows that domestic production exceeds its consumption. But volume oil consumption began start increase between the period1990-1992, where it estimation was slightly higher than total energy volume production. In 1993, China's oil consumption greatly exceeded domestic production where in response to new demands from local consumers the country's official start to become an oil importer country.

Since this new position, China is still increasing its oil import volume, and the total oil volume in 1993 passed to 9.88 million tons at 13.95 million tons in 2016 [6].

After China became WTO member, new policies have been deployed by China leader to establish rational economic partnership programs. This new arrival to WTO has highly participate also to increase China oil importation volume. As shown in Fig.2, China oil imports growled up to 20.5% comparing to global oil consumption around the period 2010. With this new record, China became in fact the first oil

consumer surpassing the US historically considered as the main global consumer. Middle-East region see in China the possibility to develop good economic exchanges. With this appreciation, China gain in oil keep high jump process. The analysis of China oil data data from

Arab countries and Middle-East region show in Fig.3 confirm this affirmation. Africa countries also such as Angola play a very significant role in this new Chinese new position. Today China imports 48% oil volume from Middle-East and 31% from African exporters.

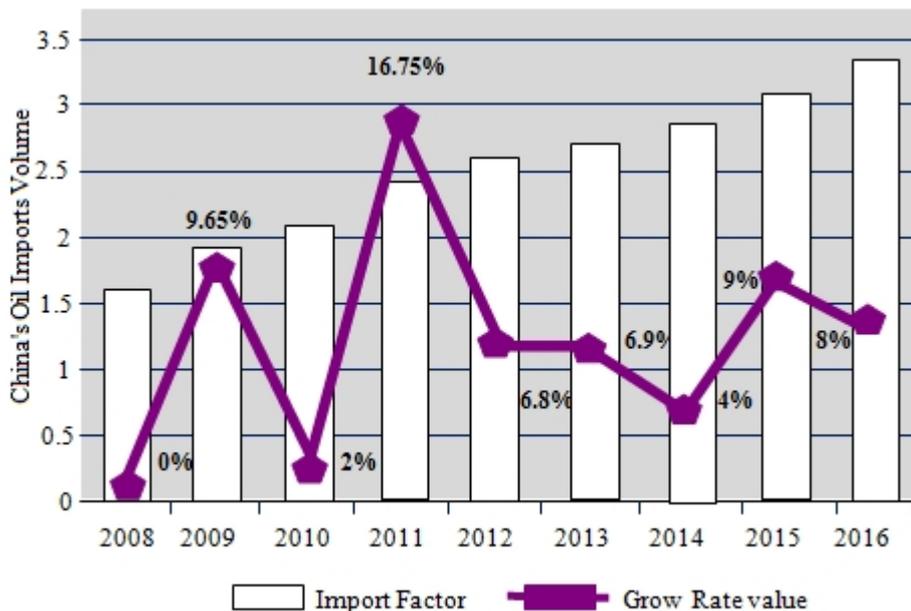


Fig.2 China Oil Import value & Growth Volume (Billion tons)

If we analyze evolution of China in oil volume and its importation from global suppliers, in 2000 Yemen and Oman from Middle-East region represent the first two official China oil suppliers. In 2001, Saudi Arabia and Iran doubled their production and became officially the two new leaders and suppliers in China. From this observation, Middle-East is then considered as very friendship and oil official partner in China policy. since several decades, the Middle-East (GCC region) zone are playing dominance position in oil market, and in this supremacy, Saudi Arabia is the leader; from 2002 to 2009 it production volume surpassed the rest of all Middle-East countries [7], [8]. Today, all Arab countries including Libya and Sudan provide more than 130 million of oil tons to China. China 2011-2013 imported respectively 135-146 million tons from Middle East region, and this volume represented more than 50% China oil import.

From recent survey analyzed, data show that China oil import will surpass 1Billion tons in the beginning of 2020. Chinese oil domestic demand increase years after years and with the instability of its price today oil producers are becoming more focused on developing program capable to guarantee the profitability of export volumes. To understand how fast China's oil in the context of foreign dependency increase, let analyze the Fig. 4,

according to our data, from 2005 to 2010 the average annual growth rate is estimated at 2.7%, in other word China in its external dependency to ensure the stability on oil consumption showed a high exportation activities during that period. China economy during that same period was already considered as global with many trade partnership policies appreciated by many countries. With its biggest economy in growth process during that period China invested in oil refinery and equipment construction to perform and improve lock observed in its oil policy management. But after 2011, oil import volume started going down during a period and Chinese government was engaged new alternative by increase investment in other natural resources such gas.

China industries and especially in aeronautic industries and automobile industries (with the exploitation of diesel and kerosene). A considered part of oil is largely used in that area and that is the major fact which explains well why oil demand in China is still on increasing process. China energy consumption represent a priority and a sector that need more investment. To satisfy this demand China is engaged in different programs with global oil suppliers. China today play many positive role in the context of economy development and infrastructure development. In Africa, when we analyze Chinese investment, many infrastructures such as construction, road are made by Chinese cooperation, and the quality of interests of that service are appreciated by local population. Arab countries including GCC

regions. Today China has many good partners that trust highly to a mutual win-win partnership trade. The new Chinese president XI Jin Ping is engaged in global challenge that can make more than 200 countries working together. OBOR project is a new dream making possible for all countries where peace, development and economic progress are needed. In

the next section, by adopting an survey analysis technique based on oil exporter countries, paper suggests a synoptic data design elaborated in two. We will show in this work the positive advantage which China is gained from its global partners in oil importation market.



Fig.3 China total Oil Import & Volume imported from Middle-EAST

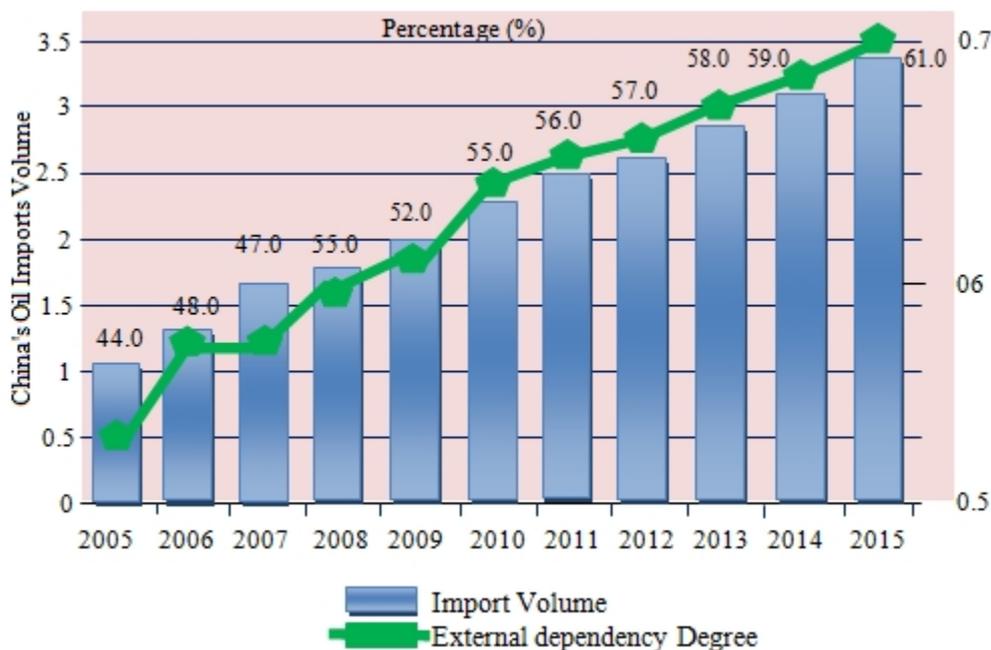


Fig.4 China Oil dependence degree

## 4 Construction of Data Strategy Model of Oil Import Trade

### 4.1 Appreciation Between GDP variables and Oil Producer Countries

The per capita gross domestic product (GDP), there are different categories of variable that

affect directly oil import if we analyze this method from a perspective based the global oil trade context. Among that factor, most popular of them are the exporter of oil products (the country ). To elaborate our different variables in the context of GDP factor development and oil data, this paper let consider in our scenario

several value such as the Gross domestic product per capita (GDP), the distance between two countries called (DB2), the oil output from exporting countries (OPEC). In this appreciation paper consider also the fact that oil exporter country have yes or not signed trade agreements with China.

Concerning the GDP factor in oil trade scenario, First, it is essential to notify that Gross domestic product (GDP) measures the value of a country's overall goods and services at market prices, without including income from abroad. In other words, by this term use, it is measured the performance of a country's economy. From economic dictionary, the definition of GDP factor is observed as the system by which a country's trade, or industrial sector including country money are organized. That is why for this reason the GDP can be thought of as the total value of all goods and services produced within the borders of a country during a specific period of time, and traditionally one year or a quarter is more adopted for GDP evaluation. The GDP in country play an essential role especially where oil trade represents a major economic development factor. Concerning all countries that consume oil at a high level, with the increase of the national economy, the standard of living of the population, the demand for industrial production, the consumption of oil will continue to increase gradually. And with is affectation, the coefficient of GDP will therefore be expected to be positive and affect considerably national economic development.

Two other factors, the Distance between the two countries (DB2) and Oil production of exporting countries (OPEC) factor also play a major role. The distance between two countries (DB2) in oil import/export is another factor that play important role in oil deal. This factor is analyzed in the way to establish transportation costs and will oil customer by giving good understand concerning the real rational price. China in the context of oil transportation use pipeline and sea as the main transportation channel . But the price to realize these equipments need big investments and China develop intermediate repositories and pump stations at different level and geographical

position in the way to promote smooth pipeline transport. The product cost is increased due to the different process and security problems that face oil transportation from exportation point. Oil exportation presents many issues that can impact considerably oil price; the transportation process is very slow, the distances usually are very far and quantity high. Concerning the Oil production of exporting countries (OPEC) factor, from analysis of exporters, the quantity of oil exported determine the capacity of exporter to satisfy its global market. Many trade are based on the evaluation of capacity that contain exporter internationally. China give more consideration to all exporters that present stability, ability and good trade background. Whether a trading country has or not signed a trade agreement with China, since the implementation of the "Belt and Road", China has already signed in the context of "One Belt and One Road" cooperation agreements with more than 40 countries, and in the same way China has signed standardization cooperation agreements with more than 21 countries around the globe. Most of oil exporter countries today are developed bilateral trade partnership with China. And with the implementation of Chinese "One Belt and One Road" the global oil industry and its importation will face new challenges that will bring new opportunities to China to increase its global integration around the world.

## 4.2 Variables & Construction of the FTA and Economical Model

The presentation of Free trade area (FTA) represents a concept basically in a broad and narrow context that consist to generalize a free trade zone around several countries with custom territories separated. the purpose of this zone is to establish new protocols and programs that will facilitate and eliminate all trade tariffs and non-tariff restrictions to facilitate good and stable bilateral partnership between country members. This area is then considered as a trade special economic zone. Today this organization include already North American Free Trade Area, the EU Free Trade Area which include more than Middle East and North Africa 35 countries. There is a strong jurisdiction around this organization, with a free access to foreign ships and services, duty-free imports to foreign goods, and the abolition of the import of goods quota control. That service are organized and coordinated to provide assistance in transportation (sea transportation).

Table 1. Specific Variables

Variables Names	Variables
China oil import quantum	COQ
China's GDP	CGDP
The distance between China and oil exporters countries	COPEC
The oil production quantity of oil exporters	OPQOE
Trade agreement	TA

In the construction of economic trade model, this paper use a concept based on the proposed Newton 1687 universel gravitational attraction [9], [10]; this approach was evaluated in the fact that two objects quality are proportional to their size and where their distance also inversely proportional to their distance. This approach has been introduced firstly in the context of trade and economy model in 1962 by Tinbergen, and also in 1963 by Poyhonen, where research was focused in the development of f bilateral trade flows use. This model defined a bilateral trade approach considered as proportional considering the distance between two countries.

In 1989 Berstrand use this approach to evaluate population with per-capita income. And in 2017, Wan established a direct relationship with gravitational model to evaluate forest products trade potential between China and Europe, and since there, the model based gravitational in trade context has been deployed considerably. And in this paper by basing our model approach in this gravitational model paper data collected are strongly selected and according to the original form of gravitational we can its expression such as below:

$$V_{ij} = \alpha(GDP_a \times GDP_b \div DB2_{ab}) \quad (1)$$

Where  $V_{ij}$  represents the volume of oil trade between two countries,  $GDP_a$  as the value of GDP of country a,  $GDP_b$  the GDP value of country b, and  $DB2_{ab}$  as the distance between the two countries and  $\alpha$  the proportionality coefficient. By making this economical analysis model in the context of the relationships between China's oil imports, China's GDP, the distance between China and oil exporters, the oil production of exporters, the trade agreements with China, paper also construes a essay that can participate to evaluate 4 Chinese economical factors that deeply can impact the China oil import. We illustrate in the Table 1 the main variables used to realize the algorithm that has

been developed to avoid the volatility of the data in the realization of the model. With this, the input data of the oil trade gravity model can be expressed as follow:

$$COQ = \vartheta_0 + \vartheta_1 \times CGDP + \vartheta_2 \times COOEC + \vartheta_1 \times TA + \varepsilon \quad (2)$$

With  $\vartheta_0$  represent a constant and  $\vartheta_1, \vartheta_2$  the values representing China GDP, the distance between China and the countries exporters of oil, the influence of the trade agreement for China's oil imports coefficient values, and finally the variable  $\varepsilon$  as residual error of the model.

By determining these variable, it is also essential to explain the importance strategically of Middle-East region by using the impact of OBOR initiative; and based in this initiative the literature analyzed

President Xi Jinping has launched the "One Belt and One Road" initiative there already have four years ago. Within the framework of the One Belt and One Road initiative, the Middle East and the entire Mediterranean region including all Arabic region are hoping to see very geopolitical construction between Southern Europe, North Africa and the Middle East, and to achieve this goal China administration has strengthen its foreign policy. Some people even said that the natural resources of the Middle East and Africa, rather than the rich European market at the end of the new Silk Road, can be rationally developed to strengthen economic development. There is no doubt that the Middle East has receiving high attention from the Chinese government. This attention can be confirmed by the form of the first White Paper dedicated to the region in 2016 and the dispatch of special envoys to put forward the "China solution" to regional crises in Middle-East. China is becoming a privileged partner of all Middle-East region in oil exportation. According to the countries considered, China also absorbed 11% to 89% of crude oil and natural gas exported from the Gulf as we can see from the Fig.5 which illustrates the dependence on Chinese market for export of crude Oil & natural gas.

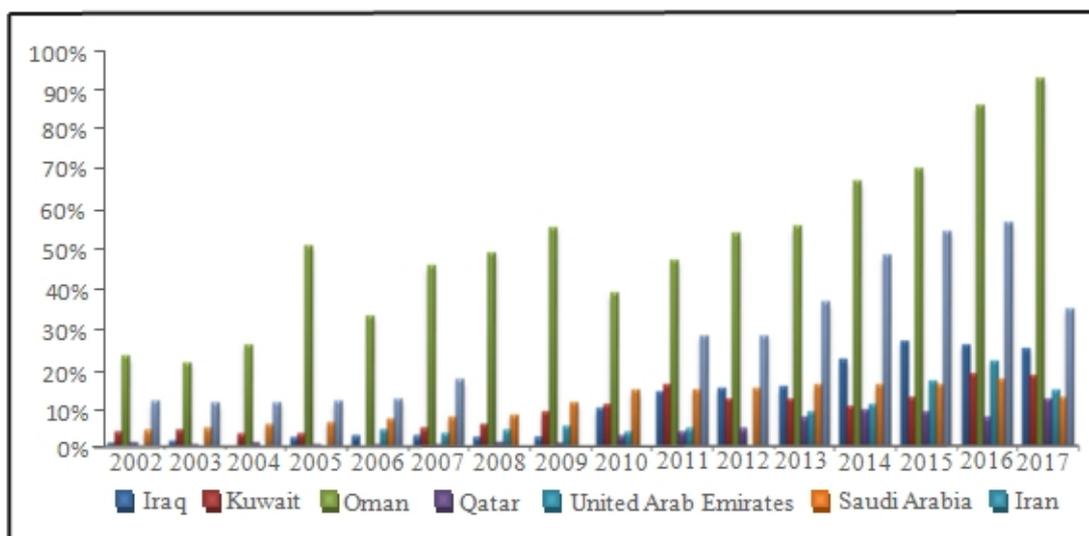


Fig.5. Dependence on Chinese Market for Export of Crude Oil & Natural Gas.  
 Source: ITC Trade Map. Elaborated by the author.

It is observed that China's contribution with the Middle East evolved. In particular, data draws on the work done by the Chinese media research team on media and scholarly articles published by commentators and experts in China and the Middle East between 2002 and 2017. In general, Chinese attitudes toward the region vary depending on the level of analysis used; although the Middle East incident confirmed that the end of US global hegemony is taking place, when Chinese analysts report these incidents to China's regional interests, they are also Think negative. Liu Shengxiang and Hu Xiaofen fully described these mixed attitudes in an article published in the "Global Review" of the journal published by the Shanghai Institute of International Studies (SIIS). There, the author views the Middle East in the context of the growing power and hegemony relationship between China and the United States. The rise of China in Asia and Russia in Eastern Europe has exerted pressure on the hegemony of the United States. The chaos in the Middle East has caused deep damage to the United States in

terms of material resources and influence. This has accelerated the transformation of power. Many Chinese IR experts, saw on the horizon.

The analysis about China in the Middle East is mainly conducted through two kind of research. The first form is the majority of academic research who report main ideas conducted between government and other officials to evaluate projects initiated by Middle-East governments in China cooperation. The second category is a little more elaborated analyses that provide some context to how a particular event involving a Middle Eastern country and China affects third-party relationships. China today is observing good relationship with all region and Chinese people investments in same Arabic regions are still on progress to perform exchange between China and the rest of Middle-East region. We can see in Table 2 and 3, many Middle-East countries consider China and OBOR project as very positive and capable to improve quality of live in this region.

Table 2: Opinions about China in Arab Countries (in percent and rank)

Year	As One Superpower		As a Place to Live		As a Place to Study	
2016	51	1	18	4	1	4
2015	56	3	14	4	1	3
2014	29	2	7	3	0.5	4
2013	28	2	8		0.8	4
2012	26	2	13	5	1	5
2011	23	1	11	7	-	-
2010	24	3	7	7	-	-

Source: Annual Arab Public Opinion Survey (various years), Univ. of Maryland

Table 3: Favorable View of China by Middle Eastern Countries (in percent)

Country	2010	2011	2012	2013	2014	2015	2016	2017
Egypt	52	57	52	57	61	56	55	63
Israel	49	51	47	484	48	43	48	54
Jordan	53	44	47	48	42	51	54	47
Kuwait	51	41	53	50	43	47	59	42
Lebanon	56	59	59	49	58	56	58	57
Morocco	43	39	37	40	-	-	43	-
Palestine	40	41	43	7	-	-	-	-
Tunisia	38	34	31	39	37	40	39	42
Turkey	20	18	22	28	29	26	27	38

Source: adapted from PEW Global Attitude Project

## 5 Analysis Results of Oil Import

In approach realization, due to the need to establish recent estimation evaluated according to current oil performance, this work select 10 countries that present positive concepts in oil import market; Angola, Kuwait, United Arab Emirates, Iraq, Indonesia, Russia, Saudi Arabia,

Yemen, Oman, Iran. Data are collected from official website chinaxinxi, and according to the article approach strategy, two phases 2009 to 2013 and 2014 to 2016 are developed to be use in the context of OBOR analysis, and then a comparative study is also conducted. the results of oil Input data with the gravitational interpretation corresponding to the formula (2) are illustrated in Table 4.

Table 4 Multiple Linear Regression Analysis Results Phase 1

Variables	Coefficient	Standard Error	Test Value	OPEC Value
Constant term	-41.726	5.897	6.908	0.000
CGDP	5.079	1.862	2.729	0.007
CGDP	-3.168	1.707	-1.857	0.064
COQ	1.358	0.122	11.216	0.000
TA	0.579	0.024	25.131	0.000
F. Value	96.950			
Corresponding OPEC Value	0.000			
Adjustment R.Square	0.663			

In the phase 1 (2009-2013 period), the linear regression results represented by the F value show a model with 96.950, the corresponding oil output from exporting countries (OPEC) represents is less than the significance level of 0.05. This result confirm that the model equation is formed as represented in (2). Furthermore, if we observe the model of R square adjustment it is showed a result of 0.663, this indicates that the model has better explanatory power. Concerning the China GDP dependent variable coefficient estimation in the context of oil imports test indicates a

In phase1, the result of test t value for the influence coefficient of the distance between China and oil exporting countries in relation to the impact variable, China's oil imports is -1.857, in the same time, the corresponding value of Oil production of exporting countries

value of 2.729 and its corresponding Oil production of exporting countries (OPEC) value is smaller than the significance level of 0.06. This result confirm that China's GDP variable show a significant dependence statistically. If we consider this analysis, according to the coefficient value of 5.079, and considering that China GDP increases by 1 unit, China's oil import and dependent variable increase up to 5.078 units.

### 5.1 Phase 1 (Period from 2009 to 2013)

(OPEC) is greater than the significance level of 0.06. This indicates that there is no negative impact in the distance between China and oil exporters in relation to the influence variable and China's oil imports.

In phase1, the test t value for the influence coefficient of the exported oil products in relation to the impact variable, China's oil imports is 11.216; and its corresponding Oil production of exporting countries (OPEC) is smaller than the significance level of 0.05. This value indicates that impact from the

exporting countries' oil output is statistically significant with the dependent variable, China's oil imports. According to 1.358 corresponding to the coefficient value, as the oil output of exporting countries increases by 1 unit, the dependent variable, China oil import rises by 1.358 units.

**Table 5** Multiple Linear Regression Analysis Results Phase 2

Variables	Coefficient	Standard Error	Test Value	OPEC Value
Constant term	-38.766	-5.496	7.056	0.000
CGDP	5.357	1.899	2.821	0.005
CGDP	--4.099	1.571	-2.611	0.010
COQ	1.865	0.171	10.966	0.000
TA	0.672	0.028	24.890	0.000
F. Value	68.182			
Corresponding OPEC Value	0.000			
Adjustment R.Square	0.699			

In phase 1, the test t value for the influence coefficient of the trade agreement (TA) for the dependent variable, China's oil imports indicates 25.131, and the corresponding value of Oil production of exporting countries (OPEC) value is smaller than the significance level of 0.05. That is the trade agreement in the dependent variable, impact of China's oil imports presents statistically positive impact. Based on the analysis of coefficient value of 5.079, paper approach indicates that it can be seen that China imported much more oil from those countries which signed bilateral trade agreements than those that did not comparatively as shown in Table 5. Results show statistically that the linear regression value obtained that the F value of the model is 68.183, the corresponding Oil production of exporting countries (OPEC) value is less than the significance level of 0.05, and the model equation is established. Furthermore, the adjustment of the model is 0.699, confirming that the explanatory power present a model with more positive impact.

## 5.2 Phase 2 (Period from 2014 to 2016)

In the second phase, the trade agreement (TA) test value for the influence coefficient of China's GDP in the dependent variable, China's oil imports indicates 2.821 as value, and the corresponding the corresponding Oil production of exporting countries (OPEC) value is smaller than the significance level of 0.05. This results means that China's GDP in the dependent variable and the impact of

China's oil imports presents statistically positive impact. Based to the value of coefficient which indicating 5.356, it can be seen that as China's GDP rises by 1 unit, the imports of Chinese oil in the dependent variable increase up to 5.356 units.

In phase 2, the test t value for the influence coefficient of the distance between China and oil exporters in the dependent variable, China's oil imports is -2.611 and the corresponding Oil production of exporting countries (OPEC) value is smaller than the significance level of 0.05. Based to the coefficient value of -4.099, as the distance between China and Oil production of exporting countries increase to 1 unit, the dependent variable, China's oil imports decreases by 4.098 units.

In phase 2, the influence coefficient test value of the corresponding Oil production of exporting countries (OPEC) in the dependent variable and China's oil imports is 10.966. The corresponding Oil production of exporting countries (OPEC) is smaller than the significance level of 0.05; the impact from oil exporting countries is statistically important with the dependent variable. Based on the coefficient value of 1.865, it can be seen that as the oil output of exporting countries rises by 1 unit, China's import oil rises by 1.864 units. In phase 2, the test value for the influence coefficient of the trade agreements in relation to the dependent variable, China's oil imports is 24.889, and the corresponding Oil production of exporting countries (OPEC) value is smaller than the significance level of 0.05. That is the trade agreement in relation to the dependent variable, China's oil imports is

statistically important. Based on the coefficient value of 0.673, China imported significant oil quantity from those countries that signed bilateral trade agreements than those that did not sign comparatively.

Based on the results of two regressions showed in Table 5 prior to the development of the OBOR project strategy from 2009 to 2013, Chinese GDP presents remarkable and positive effects on China's oil imports, and there is no significant negative correlation in the distance between China's oil imports and the rest of oil

exporter countries. According to the results of two regressions as shown in Table 5 after the implementation of the OBOR strategy from 2014 to 2016, China's per capita GDP has significant positive effects on China's oil imports; the distance between the two countries for China's oil imports has significant negative correlation. The oil of exporters significantly influences China's oil imports. Whether there is a signed trade agreement with China or not it still has a significantly positive influence on China's oil imports.

## 5 Conclusion

With the increasing number of countries around the development of OBR project, bilateral partnership between different states will play essential role capable to boost national economy in some countries or rise up the level of construction of infrastructures in others. Concerning the case of oil resource in global market context, this paper by adopting an essay strategically focused in the use of an analysis strategy based on data from oil exporter countries interpreted with two phases the first 1 from 2009 to 2013, and the second from 2014 to 2016, this paper with the deepening of the OBOR strategy, China's oil import source countries are changing; by adopting total integration to OBOR initiative oil producer countries are looking to develop trusting bilateral trade with all economical stable countries. and in this new demand, China is considered as one of selective candidate capable to deal in win-win economic programs.

By this capacity, due to the fact that China today is a global industrial country with high energy resources demand in automobile

and aeronautic, one of its main trade focus is oil imports. Data analyzed in this paper show that as the world's largest oil exporter, Saudi Arabia has always been at the top of China's oil import. In 2014, total oil output of Saudi Arabia to China is 49.67 million tons, accounting for 16.11% of its oil exports. The second is Angola, which exported 41 million tons oil to China in 2014, accounting for 13.18% of its total oil output. The third is Russia, which exported 33 million tons oil to China in 2014, accounting for 10.74% of the country's total oil output. OBOR represent a new global platform where each country can develop trade programs and provide more resources in national sectors that need to be performed. China can increase its import demand to strengthen its national industry development, Middle-East can increase its capacity in infrastructural development, African countries can by this opportunity find new way develop real partnership programs in economy, health and education.

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