

1. Research project objectives/ Research hypothesis

The **main objective** of the project is to evaluate the impact of the Chinese economy on the production linkages and economic cooperation opportunities economies of Central and Eastern Europe (CEE) with China, resulting in the identification of the industries in the CEE countries and China with high potential and growth opportunities as a result of cooperation. Within the main objective of the research is to identify the high-potential relationship between CEE countries and China, including seeking synergies and benefits of their use between the two economies. The research problem becomes very timely given the recently announced China's concept of renewal: "The Silk Road", which will be conducive to the development of productive relations between China and the CEE countries.

The research objects are **ten CEE countries** (Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia and Hungary) and **China**. Although the CEE region in a wide geographic includes Balkan countries which are not members of the EU and the countries of the CIS, but the project as a key factor distinguishing the countries concerned have adopted a successful accession to the EU in 2004-2007.

The hypothesis: with the growing role of China in global value chains, the competitive position of the CEE countries in the international production networks is declining. In this context, there are two specific research questions: how should develop economic relations CEE countries, especially Poland with China and what measures should be taken in the face of growing interdependence between the Chinese market and the markets of CEE, to exploit the mutual economic potentials.

2. Research project methodology

The primary stages of the research will adopt studies of economic literature, documents query, and data analysis. The project will utilise the methods of descriptive, comparative and systematic analysis as well as quantitative methods associated mainly with descriptive statistics - time series analysis in particular, i.e. the study of the structure and dynamics and the decomposition of the time series. A comparative analysis will be completed by methods of descriptive statistics (in particular the analysis of time series, m. Al. Study the structure and dynamics and decomposition of the time series, measures of distribution, including measures of averages, measures of diversity, measures of concentration) and methods of econometric (e.g. the study of links between countries with regard to global value chains using global input-output tables, according to the methodology proposed by the experts of the NBER.

3. Expected impact of the research project on the development of science, civilization and society

The problem undertaken in the research project will expand and deepen the knowledge of the cooperation between CEE countries and China. Thus the research would provide a practical compendium of knowledge for government and business representatives, not only in Poland but also in the CEE region, and as a result would be the ground for the development of effective policies and strategies for the mutual benefits based on economic potentials. Such work would earn a unique position in Polish, as well as foreign scientific literature, proving useful input for politicians and businessmen, but also for the students of international relations and international economics, interested in the subject. Therefore the results of the proposed research project may contribute not only to science development but also may be adopted for construction of Polish and CEE countries' economic policies in microeconomic and macroeconomic dimensions.