

Abstract

Over the past decade, economic and trade co-operation between China and Central and Eastern European countries has developed at a high rate. In the year of 2022, China has developed into an important trading partner with most CEE countries in terms of the ranking and share of total trade volume. However, problems such as trade surpluses and economic downturns in the post-pandemic era have made future cooperation between China and CEE countries facing a lot of new challenges.

Based on the panel data of China and 16 selected countries in Central and Eastern European region from 2012 to 2021, this paper conducts empirical analyses and uses the extended gravity model to figure out the influencing factors of China's OFDI towards CEE countries. In addition, this paper also calculates the efficiency of China's OFDI based on Stochastic Frontier Gravity Model and finally give suggestions for the future.