13 China as a development actor in Ukraine

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This chapter analyzes China's current role as a development actor in Ukraine, its ambitions to get involved in post-conflict reconstruction work, as well as the likely shape that its involvement might take.

China is likely to play some role in Ukraine's reconstruction, if only because the costs will be so high that contributions will have to come from as many countries as possible. A strong Chinese involvement can have positive implications for Ukraine and for Europe. But risks will also emerge. For Sweden and the EU, the priority will be to support Kyiv in monitoring and regulating China's investments and activities in ways that help mitigate some of these risks.

China's role in Ukraine: from the Belt and Road Initiative to post-war reconstruction

In just a few decades, China has become a major power with a rapidly growing footprint around the world. This trend toward a more assertive and globally involved China has accelerated since Xi Jinping came to power in 2013, as part of his agenda to expand China's global influence. Development aid, or rather, development cooperation, is a key element of Beijing's push to build closer ties with low- and middle-income countries, especially across the Global South, in service of its broader strategic objectives.

Beijing's approach to international development cooperation differs from European or Western ones in ways that Sweden and other EU countries must consider. It is primarily based on the party's long-term strategic interests and objectives. And it consists less of grants and volunteerism, more of loans and the construction expertise of Chinese companies. In the language of the party, it is about mutual, "win-win" growth, rather than assistance.

The Belt and Road Initiative (BRI) is one of the primary vehicles for China's pragmatic, profit- (commercial or otherwise) oriented model of development work, in post-conflict and other settings. Defined as a key pillar of Xi Jinping's "global community of shared future", the BRI has been used to project Beijing's vision of its own global responsibility as the world's "largest developing country."

Over time, the scale of BRI activity has ebbed. The amount of capital invested has diminished, and some of the more normative aspects have been spun out into the newly minted Global Development Initiative, but the BRI remains as relevant as ever. Its aims of securing access to essential inputs and resources like energy, minerals, and food; of opening markets for Chinese companies; and of solidifying partnerships are made more relevant than ever by the rising geopolitical tensions with the United States (US), Europe, and other liberal democracies. The BRI will continue to evolve as China's own strate-

gic goals and foreign policies develop, but as long as the initiative contributes to Beijing's global ambitions, it is unlikely to go anywhere.

The BRI was, up until the start of Russia's full-scale invasion of Ukraine in 2022, also the primary vehicle for China's investments and development cooperation in Ukraine. Ukraine joined the Belt and Road Initiative in 2017 with the objective of finding synergies between China's and its own connectivity strategies. China, however, was a relevant actor in Ukraine prior to this, with Chinese companies holding stakes in Ukraine's critical infrastructure and agricultural sectors.

Russia's war of aggression against Ukraine represents a turning point in Ukraine-China relations. Beijing's support for Moscow has worsened views of China in Ukraine, and the war has led to most Chinese projects in the country being put on hold. China is signaling a clear interest in reverting this situation and finding ways to play a role in Ukraine's economy after the war ends. The country's reconstruction will be challenging and expensive, and Chinese actors bring a number of advantages to the table that are likely to make them attractive partners in some sectors (Yefremov, 2025). The extent of China's ability to participate in the reconstruction and thus its future role as a development actor in Ukraine, however, will ultimately be shaped by Kyiv's views of China.

This chapter will analyze China's current role as a development actor in Ukraine; its ambitions to get involved in post-conflict development work; as well as the likely shape that China's involvement might take. It will then assess the impact that China's involvement in Ukraine might have on Sweden and the EU's own role in the country, on their development aid and contributions to the reconstruction effort, and on Ukraine's future development more broadly.

This chapter's analysis is limited to a scenario in which Ukraine is victorious or agrees to a peace deal that preserves Kyiv's agency. A Russian victory scenario or other—less favorable for Ukraine—

peace agreement scenarios are beyond the scope of this study, as they could eliminate limitations to Chinese involvement, curb Kyiv's agency, or reduce Sweden's and Europe's future role in Ukraine's development.

With a view to Ukraine's potential future membership in the EU, and to preserving the relevance and effectiveness of Swedish and European aid to Ukraine, it is important to start a discussion on what China's future role as a development actor and a player in the reconstruction of Ukraine might look like. Chinese involvement will present opportunities and challenges for Ukraine, but also for Sweden's and the EU's interests.

China applies its development playbook to Ukraine

Chinese actors use a wide range of instruments in their development work, ranging from traditional development aid, such as preferential or concessional loans, grants, and gifts, to development financing with commercial loans, equity, and acquisition. The balance, however, is heavily tilted toward lending and financing. Between 2001 and 2023, China committed globally around USD 1.9 trillion—or around 90% of the total—in "other official flows" (loans and other debt instruments approaching market rates), and under USD 140 billion in "official development assistance" (grants and no- or low-interest loans typically referred to as "aid") (AidData, no date).

The case of Ukraine, prior to Russia's war of aggression, was a good example of traditional Chinese development cooperation. Between 2001 and 2023, China launched 109 projects in Ukraine for a total value of USD 3.37 billion. Around USD 3 billion of this was in the form of loans or debt. The most important sectors in terms of value were agriculture, representing USD 2 billion; banking and financial services, with USD 864 million worth of projects; energy (USD 253 million); and mining, industry, and construction (USD 291 million). Education and health, though highly visible in terms of China's narrative and public communications strategy, and in terms of number

of projects (57 out of the 109), only represent USD 189 million in cumulated worth within this 12-year period (AidData, no date).

Beijing positions itself to play a role in a post-war Ukraine

China has long seen Ukraine as a potential gateway to Europe. The two became strategic partners in 2011, and despite stagnation in high-level diplomatic relations, Ukraine joined the BRI in 2017 (Golod & Drobotiuk, 2025). Chinese companies acquired strong stakes in Ukraine's transportation, agricultural, telecommunications, and energy sectors. China became Ukraine's top trading partner in 2019 and maintained that status until the start of the war, with trade volumes of around USD 18.5 billion in 2021. The same year, Beijing and Kyiv also signed a cooperation agreement for infrastructure development that would see joint consultations to decide on "promising projects" to be funded by China on concessional terms. This agreement prioritized communications and transport infrastructure (Ministry of Infrastructure of Ukraine, 2021).

But Beijing's support for Moscow since 2022 has dampened the relationship. Diplomatic contacts have dropped to a minimum. Chinese investment into Ukraine has collapsed, with the National Bank of Ukraine recording net-negative flows in 2023 and 2024 (CEIC, 2025). Most of China's infrastructure projects in Ukraine have also been put on hold. In 2023, Kyiv listed several Chinese state-owned enterprises (SOEs) as sponsors of the war (Business & Human Rights Resource Centre, 2023). These included China Railway Construction Corporation, China State Construction Engineering Corporation, and China's three biggest oil companies. This list is mainly a tool to pressure international firms, but it has the potential to hurt their role in reconstruction. A few Chinese companies, however, still maintain a presence in Ukraine, which could become the entry point for a larger Chinese role in the country's post-war economy.

Table 1. Selected infrastructure projects and investments in Ukraine with Chinese involvement

Project	Year	Company
Acquisition of 10 solar power plants	2010–2016	China National Building Materials
Grain terminal in Mykolaiv port	2016	China Oil and Food Corporation
New Zaporizhzhia Dnipro bridge and M-22 highway	2017	China Road and Bridge Corporation
Dredging of Yuzhny, Chernomorsk ports	2017, 2019	China Harbor Engineering Company
Solar farm in Dnipropetrovsk	2018	China Machinery Engineering Corp.
Kyiv subway's 4G network	2019	Huawei
Expansion of Mariupol port	2019	China Oil and Food Corporation
Construction of Kyiv ring road	2019	Poly Changda Engineering Co.
Wind farm in Donetsk Oblast	2020	Power Construction Corporation of China

Source: MERICS research.

Despite this worsening of relations, Kyiv has largely refrained from harsh public criticism of China's stance, reflecting the delicate balance that Ukraine is trying to strike to preserve vital trade relations and diplomatic engagement, with a view to potential influence over Moscow via Beijing, and potential Chinese support for Ukraine's reconstruction. This stance has contributed to keeping China as a major trading partner for Ukraine.

Bilateral trade flows reached over USD 16.7 billion in 2024, with the vast majority of these being Ukrainian imports of Chinese products. While Ukraine exports grain and iron ore to China, China remains a major supplier of communications equipment and electronics to Ukraine (imports from China represent over 20% of Ukraine's total imports) (National Institute for Strategic Studies, 2025). China's lev-

erage over Ukraine's supply chains also extends to the defense sector. The Ukrainian military is still dependent on Chinese drones and drone components, particularly those from Shenzhen-based drone-maker DJI (Casimiro, 2024). In September 2024, Beijing restricted exports of drones and drone components, including civilian drones used for military purposes, with clear implications for Ukraine (Wang & Xiong, 2024). A report by Ukrainian think tank Snake Island Institute found in October 2025 that, despite these restrictions, almost 97% of Ukrainian drone producers still name China as their primary source for components (Snake Island Institute, 2025).

At the same time, China's involvement in Ukraine continues to be dwarfed by its economic relationship with Russia. Russia was the recipient of over USD 171 billion in Chinese aid between 2001 and 2023 (compared to Ukraine's USD 3.37 billion), mostly in the form of loans, and focused overwhelmingly on industry, mining, and construction (AidData, no date). Bilateral trade, meanwhile, reached USD 245 billion, more than double that of 2020 (MERICS, OSW, & UI, 2025).

The war has aggravated the contradictions between Beijing's goal to expand BRI and its access to Europe through Ukraine, and its strategic choice to support Russia. Chinese actors, nevertheless, remain highly interested in securing stakes in Ukraine's post-war economy. To find a way out of this conundrum, Beijing has been trying to position itself as a potential mediator in Ukraine, and as a contributor to reconstruction and development after the war.

Beijing waited until 2023 to address the issue of reconstruction directly, in its 12-point position paper on the political settlement of the Ukraine crisis (Xinhua, 2023). To this day, there are very few other direct references to Ukraine's reconstruction or to China's future development role in Ukraine from official Chinese sources. Beijing has also been largely absent from multilateral initiatives to reconstruct Ukraine, despite large-scale engagement by Swedish, European, and other donors. China has skipped the annual Ukraine Recovery

Conferences, signaling that it would likely prefer bilateral deals to multilateral initiatives.

China-led peace initiatives like the "six common understandings" with Brazil (Ministry of Foreign Affairs of the PRC, 2024a), or the "Friends for Peace Group on the Ukraine Crisis" (Ministry of Foreign Affairs of the PRC, 2024b), meanwhile, emphasize the importance of peace talks. But they mostly fail to address the post-war state of Ukraine or its reconstruction.

In China, there is also very little public debate about Ukraine's reconstruction, though two opposing viewpoints emerge in online discussions on the issue. One identifies an opportunity for Chinese companies and a chance to bolster China's international image. The other argues that China should prioritize its own interests and allies, highlighting Kyiv's increasing hostility and lack of financial capabilities to fund large-scale projects.

This lack of publicly visible views suggests Beijing perceives the risks of positioning itself too clearly while the war is still ongoing. China's leadership seems to have chosen to wait until the outcome of the war becomes more predictable before making any moves so it can adjust its positioning accordingly. This caution will be especially relevant in case of a Ukrainian victory or a mediated ceasefire deal, where Beijing's partnership with Russia would be a likely obstacle to Chinese firms' access to reconstruction and development projects.

China will target strategic sectors in Ukraine

Despite the official caution, Chinese actors are already positioning themselves to play a role in Ukraine's economy after the war. Beijing will try to leverage the fact that the country's reconstruction will be challenging and expensive, as well as its own track record in post-conflict reconstruction and development cooperation. Today, China has a well-defined approach to development cooperation that it has deployed in post-conflict reconstruction settings such as Iraq, Afghanistan, or South Sudan (Legarda et al., 2025).

Economic and geopolitical interests tend to take precedence over commercial considerations or values-based agendas, leading to a sometimes transactional, and almost always bilateral, engagement with post-conflict nations that focuses on specific sectors, skirting issues of governance or rule of law.

Beijing is often politically and rhetorically supportive of UN-led efforts. It participated, for example, in multiple UN donor conferences for Afghanistan and Iraq. But its announced donations at these conferences were relatively minor. Bilaterally, however, China committed to higher donations in the form of aid plans or debt relief.

Couched in win-win cooperation language, Beijing's engagement during reconstruction processes often involves tacit quid pro quo arrangements to ensure China's interests are well served. Sometimes its transactional approach is more openly stated. A good example is China's 2019 "oil-for-projects" deal with Iraq, which committed Baghdad to supplying China with 100,000 barrels of oil per day for 20 years in exchange for concessional credits for critical infrastructure development projects (Al-Auqaili, 2024).

Under Xi Jinping, Beijing increasingly perceives an international environment that is hostile to China and has, as a result, become more forceful in its pursuit of its geopolitical goals. In this era of strategic competition and geopolitical fragmentation, security- and geopolitics-first approaches to policymaking dominate. These dynamics will shape China's likely involvement in Ukraine's reconstruction and future development, which is likely to follow similar patterns as in other post-conflict reconstruction settings:

- **Approach:** Beijing's security-first approach to foreign policy means that Chinese firms and other actors are unlikely to enter Ukraine until the situation on the ground is stable and they have assurances that their interests will be protected. Moscow's security assurances are likely the reason why a few Chinese companies are reportedly already active in the Russian-occupied regions of Donetsk and Luhansk (The New Voice of Ukraine, 2025).

- **Actors:** The China Development Bank and the Export-Import Bank of China will likely be the main lenders for any Ukraine-based projects, allowing Beijing to make sure Chinese firms' activities align with its own interests. Companies that have managed to maintain a presence in Ukraine throughout the war, such as COFCO or Huawei, will likely try to seize first-mover advantage to expand their operations. The damaged reputation or even listing of a number of Chinese SOEs, however, will open doors to smaller and less well-known Chinese firms.
- **Sectors:** Beijing will focus its efforts on strategic sectors, in line with its own economic and geopolitical interests. Ukraine's economic structure and status as a more developed economy than other post-conflict nations Chinese actors have been involved in suggest China will look beyond critical infrastructure to other sectors of interest:
  - Ukraine is one of the world's largest producers of wheat, corn, and sunflower oil (accounting before the war for 10%, 15%, and 50% of the world market, respectively). With China prioritizing food security, Chinese firms will have incentives to invest further in this sector. Chinese firms already control some key facilities along Ukraine's grain corridors, including in the ports of Mariupol and Mykolaiv. Some companies are already signaling their interest in buying Ukrainian land after the war to set up production facilities (Association for Ukrainian-Chinese Cooperation, 2025a).
  - Ukraine's telecommunications and transport sectors will remain key focuses of China's investments. Chinese telecommunications firms like Huawei or ZTE already have a strong presence in Ukraine. They make up about 100% of Kyivstar's (Ukraine's largest mobile operator) radio network and around 30% of its more critical network (Seal, 2023). After the war, these companies are likely to seek contracts rebuilding civil communications systems and rolling out 5G networks.

- The energy sector is likely to be China's main entry point into Ukraine, aided by Kyiv's "build back better" approach, which is slated to prioritize renewables. China's dominance in the solar and wind industries will make it extremely difficult for Ukraine to build up capacity in a cost-effective manner without leaning on Chinese firms, some of which have already started positioning themselves there (Association for Ukrainian-Chinese Cooperation, 2025b).
- Ukraine has considerable reserves of titanium, lithium, uranium, and other critical minerals that Beijing and other countries need for their industry, military, and tech sectors (Liepins, 2024). China dominates the processing and refining of rare earths, but remains import-dependent on some of them, particularly uranium and lithium. This sector is therefore likely to be of key interest for Beijing, and also a likely flashpoint of Europe-China and US-China competition. The agreement signed between the US and Ukraine in April 2025 did not only set up a joint investment fund for the reconstruction of Ukraine. It also expressed a goal not to let those who have "acted adversely to Ukraine" during the war benefit from the reconstruction—a subtle reference to China, among others. China's weaponization of its control over rare earth supply chains will also increase Europe's and other Western countries' interest in Ukraine's reserves.
- Beijing has shown a longstanding interest in Ukraine's defense industry, especially its aerospace industry. After the war, it may well attempt to acquire or invest in key defense companies. Ukraine would be expected to block such sensitive investments, as it did in 2020 when it banned Chinese firm Skyrizon from acquiring Motor Sich over national security concerns (Hurska, 2020). The United States and Europe would also be likely to pressure the Ukrainian government not to allow such a deal to go through. Yet, China might try a transactional approach, offering a cash-strapped Kyiv attractive financing conditions in exchange for access.

- **Mechanisms:** The sharpening strategic competition between China and the United States (or the West more broadly) implies limited prospects for Chinese engagement and cooperation with Sweden, the European Union, or other Western nations on Ukraine's reconstruction and future development. China's approach is likely to remain bilateral or, at most, minilateral, and coordinated with its own preferred partners. Beijing is unlikely to participate in multilateral reconstruction funds or other joint initiatives with European or other international partners, limiting the opportunities for complementary action.

Kyiv is now much more security-conscious toward China than it was at the start of the war. A majority of Ukrainians now view China as a threat to peace and security in Europe (Katsioulis et al., 2025), suggesting that restrictions might be imposed on Chinese firms' access to strategic sectors or industries. At the 2025 Ukraine Recovery Conference, Ukraine's President Zelensky clarified that "in this joint recovery project, we [Ukrainians] will only welcome true partners—those who are not helping Russia continue this war" (President of Ukraine, 2025). But Ukraine does not yet have a formal China strategy, nor does it have mechanisms in place to provide a sufficient degree of resilience. Both local and national actors sometimes express more favorable views toward Beijing than Kyiv, which might open doors for Chinese actors.

Ukraine's path toward EU accession could also help constrain China's involvement in the country's reconstruction. EU accession negotiations opened in June 2024, so China's role might be limited by some EU rules and regulations. Kyiv will also have access to the EU's Ukraine Facility, providing a stable alternative to Chinese financing that would allow it to reject offers for cheap financing in exchange for access to strategic sectors. Additionally, the EU's defensive toolbox, parts of which will be mandatory for Kyiv to adopt along this process, could also increase Ukraine's resilience.

Substantial Chinese involvement could impact Ukraine's future development and Europe's interests in the country

China's role will be framed by Ukraine's interests and choices, but China is likely to play some part in rebuilding Ukraine. China's involvement will create challenges for Ukraine's future resilience and Sweden's and the EU's interests in the country that must be considered in advance, but it might also create some opportunities for coordination on concrete issues.

The geopolitics of Ukraine's reconstruction

The reconstruction of Ukraine, and any future development work, will take place in a fragmented geopolitical context with intensifying great power competition. Development aid is increasingly transactional and geopolitical, and as such, the reconstruction of Ukraine will be as well.

For Europe, Ukraine's reconstruction will be embedded in the EU accession protocol obligations. This means that a key European objective throughout this process will be to pave the way for Ukraine to align with European requirements, as well as to ensure a long-lasting peace and a sustainable development path for the country. While, unlike Sweden (Government Offices of Sweden, 2023) or the EU, China does not have a post-conflict reconstruction strategy for Ukraine, Beijing has clearly stated its intentions to contribute. Considering China's strategic interests and its standard approach to development cooperation and post-conflict reconstruction, it is fair to assume that a number of China's activities in the country will not contribute to Ukraine's EU accession path. This will set the stage for friction between Europe and China's objectives in a post-conflict Ukraine. Establishing or increasing exchanges with Chinese official actors, such as Ministry of Commerce (MOFCOM), the China Development Bank, or the Export-Import Bank of China on the re-

construction of Ukraine can help Swedish and European stakeholders anticipate Beijing's priorities and avoid surprises.

Identifying areas for China's contributions

China's involvement can certainly be positive for Ukraine in some ways, but risks and challenges to Ukraine's supply chain and economic independence, critical infrastructure security, or cybersecurity may also emerge. To mitigate the potentially negative impacts of a strong Chinese involvement in its reconstruction and future development, Ukraine will need to develop instruments to monitor and regulate it. Identifying the sectors that are deemed more strategic or geopolitically relevant, and thus where a strong Chinese involvement might present greater risks, would be a good place to start. Conducting a cost-benefit analysis that weighs the risks of China's involvement against the benefits it might bring will allow Kyiv to identify the sectors where collaboration with Chinese actors would serve its own interests and those where it can present risks (Orliange & Pornet, 2025). While the energy, governance, or critical infrastructure sectors, for example, might be riskier for Ukraine—and for Sweden and Europe—projects related to the education, healthcare, or climate and environment domains might be more plausible.

In a similar vein, the location of China's projects after the war will be highly political. Chinese actors might choose to prioritize work in Russian-occupied territories or in Russian-speaking regions of the country. Ensuring that development is sustainable and equitable will also require Kyiv to maintain oversight over the location of Chinese investments. Sweden and the EU are uniquely positioned to support Kyiv in this process.

A mismatch in the values agenda

The Swedish and European effort for Ukraine's reconstruction is driven by a values-based agenda, centered around fundamental freedoms and democracy, as well as respect for human rights and the rule of law. Given the growing gap between Europe and China on

values, China's contribution is unlikely to contribute to this values-based agenda. Chinese projects and investments have in the past been criticized for their lack of transparency and the opportunities they create for corruption in both China and recipient countries. Multiple projects have also suffered from negative environmental and social impacts, including pollution and the lack of adequate compensation for workers or local content requirements, leading to limited benefits for local communities (Horigoshi et al., 2022).

To be sure, Chinese projects are not the only ones that suffer from such issues, but the risk remains, and Chinese actors' regular disinterest in governance requirements will only increase it. Ukraine and Europe should insist on greater transparency and accountability for Chinese projects to mitigate some of these risks.

Some room for coordination, though likely not for cooperation, might still exist in selected areas. China and Europe, for example, have cooperated in the past on issues related to gender equality in the context of the International Labour Organization and UN Women. This could be an area of common interest that could be promoted in projects related to the education and healthcare sectors, where geopolitical and strategic considerations might be more limited, at least initially. Disability policies and elderly care are other issues on which Europe and China could exchange views.

Choosing a model for a prosperous economic future

After the war, Ukraine will be in a position to define a model for its economic future. Europe and China do not share the same economic and industrial model, and the clash between the two has led to unfair competition and market distortions that continue to plague EU-China relations. As has already been seen in the Western Balkans (Zweers et al., 2020), Chinese investments and development cooperation projects do not always align with the EU's rules and norms. Additionally, the entry of heavily subsidized Chinese SOEs into Ukraine could lead to unfair competition for local, as well as European, firms. It could also create challenges related to the future com-

petitiveness of Ukrainian companies, as well as supply chain dependencies.

Given Swedish objectives in Ukraine built around improving conditions for free and rules-based trade, and for companies and entrepreneurship; increasing transparency and reducing corruption; and improving livelihood opportunities, a strong Chinese role in Ukraine might clash with Sweden's interests in the country. In short, while Sweden is calling for a reconstruction effort that would bring inclusive economic development, accompanied by a democratic and liberal values-based model of fair and free competition, Beijing has a different playbook. Chinese investments can compete or interfere with Swedish or, more broadly, European aid and development cooperation in Ukraine, potentially reducing its relevance and effectiveness.

Common interests in green and sustainable transition

China's dominance within certain sectors and supply chains—especially in renewable energies—means Chinese products and technologies are financially competitive and their use in Ukraine will be almost unavoidable. China's involvement can offer cost-effectiveness and other advantages that can support Ukraine's reconstruction and green transition.

Contributing toward Ukraine's green transition and sustainable development is an area of common interest for both China and Sweden. Sweden's priorities of increasing access to fossil-free energy and improving energy efficiency; improving conditions for environmentally sustainable and climate -resilient reconstruction and development; reducing environmental and climate impact; and increasing adaptability and resilience can, to a certain extent, also be served by China's involvement in Ukraine's green energy sector.

But while this could be an area for cooperation between Swedish and Chinese actors, two important concerns need to be considered. An

overdependence on Chinese firms or components in Ukraine's energy sector or green transition more broadly can reduce the competitiveness of, and even hollow out, competing European and local industries. Additionally, this can also undermine Ukraine's security by making Kyiv vulnerable to economic coercion, political pressure, or even sabotage and disruption in the case of a conflict with China. While this is an extreme scenario, Beijing has previously shown its willingness to direct Chinese companies' actions for geopolitical objectives.

Putting resilience at the core of reconstruction

The reconstruction and development of Ukraine, and especially of its critical infrastructure, will be a cost-intensive effort. This is the space in which China presents the greatest competitive advantage, and where its involvement is likely to be more pronounced. Hence, ensuring the resilience of the reconstruction efforts in this sector will be crucial.

Over the past few years, the EU has developed a series of instruments that aim at increasing the resilience and security of European critical infrastructure, including a foreign direct investment screening mechanism and regulations on export controls. To avoid loopholes, especially if Ukraine eventually joins the EU, it will be essential for Sweden and other European actors to work with the Ukrainian government to harmonize approaches.

To reduce vulnerabilities, risks to Ukraine's cybersecurity and technology security should also be assessed in the context of China's contribution to Ukraine's reconstruction. Recognizing that the effectiveness and competitiveness of Ukraine's transportation and communications facilities might be improved through China's involvement, it is also important to acknowledge that control over logistical nodes and transportation networks could give Chinese companies opportunities for intelligence gathering, to disrupt regular operations or—in the case of ports—to use shipping prioritization for political leverage (Ghiretti et al., 2023).

The path toward resilience should also include a careful assessment of the conditions of China's involvement. Beijing is likely to proceed bilaterally, with a mix of commercial, concessional, and preferential loans. Transparency should be required to ensure a sustainable level of debt for Ukraine, avoiding collaterals.

The way forward for Sweden and Europe

To mitigate potentially negative impacts and try to take advantage of opportunities, Ukraine will need to assess China's potential role and design measures to monitor and regulate it. Given the work the EU has done over the last few years, Sweden and the EU are well positioned to support Kyiv throughout this process. The following are a few actions that Sweden could consider:

- Engage with official Chinese actors on the reconstruction of Ukraine to help anticipate plans and priorities.
- Work with Ukraine to identify the sectors in which China's contributions could be mutually beneficial. This requires acceptance of the fact that the reconstruction of Ukraine will be based on geopolitical interests and that China will play some role in the effort.
- Work with Ukraine to identify the territories in which China's presence would be welcome to prevent Russia from being able to leverage China as a proxy for its propaganda.
- Acknowledge that the values agenda is mostly not of interest for China and that tensions will emerge.
- Disabilities, elderly care, and gender equality are issues where some common interests between Europe and China exist, and in which geopolitical interests might be more limited. While co-financing or formal cooperation should not be recommended due to a lack of transparency and common frameworks, parallel financing and other forms of coordination could be envisioned.

- Work with Ukraine to develop autonomous instruments that would promote economic security and ensure the resilience of its economy and critical infrastructure.
- Reduce cybersecurity and technology risks by limiting China's involvements in key transportation and telecommunications nodes.

China's role in the reconstruction of Ukraine, and thus its future role as a development actor in Ukraine, is ultimately dependent on a number of factors that are outside of China's control—and beyond the scope of this paper. Beijing, however, has made clear that it will seek to play a role in the process, and it is likely to do so by following much of its traditional approach to development cooperation and post-conflict reconstruction

Despite Ukraine's (and Europe's) skepticism, and United States pressure, Chinese actors are likely to play a part in rebuilding Ukraine, if only because the costs of reconstruction are so high that contributions will need to come from as many countries as possible. It is therefore essential to start considering how Beijing might wish to contribute to this process and how its actions might impact Sweden's and Europe's interests, whether positively or negatively.

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