



Chinese President Xi Jinping signs the visitor's book as Bangladesh PM Sheikh Hasina looks on at the Prime Minister's Office (PMO) in Dhaka yesterday. Right, Bangladesh and China delegates, headed by Hasina and Xi, hold official talks at the PMO.



PHOTO: BSS/PTD

## Strategic partners

FROM PAGE 1

Minutes before the signing, he held talks with Prime Minister Sheikh Hasina where the two leaders agreed to elevate bilateral ties to strategic-partnership cooperation.

"I had very fruitful discussions with President Xi on bilateral, regional and international issues of our common interests," Hasina said in her statement, adding they agreed to work closely and support each other on these issues.

Considered by many as the most powerful leader in China after Mao Zedong, Xi Jinping arrived in Dhaka on a two-day state visit.

This is the first visit by a Chinese head of state to Bangladesh in 30 years.

Li Xiannian was the last Chinese president to come to Dhaka in March 1986.

"I hope to use this visit to chart the course for future growth of China-Bangladesh relations from a strategic and long-term prospective together with the leaders of Bangladesh," Xi said in his statement at the airport.

Strategic partnership in international relations goes beyond simply strengthening cooperation between two countries. This privileged status is commonly associated with security issues, but also covers a wide range of bilateral relations from defence to education, health to development, and also economic relations including trade, investment and banking.

On his arrival, Xi was given a warm reception. Flanked by a dozen of ministers, President Abdul Hamid received him at Hazrat Shahjalal International Airport amid 21-gun salute. Xi was also

given a guard of honour there.

A special VIP flight of Air China carrying the Chinese president landed in Dhaka at 11:36am. As his flight entered the Bangladesh airspace, four aircrafts of Bangladesh Air Force escorted it.

His visit comes only months after the high-profile visit of US Secretary of State John Kerry and nearly one and a half years after that of Indian Prime Minister Narendra Modi.

The Chinese president will leave Dhaka this morning to attend the BRICS conference in Goa, India.

**WHY FOCUS ON BANGLADESH?**

Prior to his visit, it was widely discussed that the Chinese leader's visit will serve to deepen strategic cooperation to build a new Silk Road economic belt under China's Belt and Road Initiative -- a highly ambitious project masterminded by Xi.

"Xi Jinping's visit will promote the implementation of the 'Belt and Road Initiative' in Bangladesh," said a report of China Central Television yesterday.

Before flying in Dhaka, Xi visited Cambodia and roped the country into his initiative.

During his meeting with Hasina, he pursued his initiative.

"We agreed to form synergy between our respective development strategies, jointly advance the Belt and Road initiative..." Xi said in the statement after the talks.

"Bangladesh is willing to actively work with China within the framework of the Belt and Road initiative and support the building of an economic corridor linking Bangladesh, China, India

and Myanmar," reports Xinhua, Chinese official news agency, quoting Hasina as saying.

The Chinese leader also explained his idea of Belt and Road initiative to BNP Chairperson Khaleda Zia during their meeting, a meeting source said.

"Implementation of the Belt and Road initiative is required for desired developments in Asian countries," the meeting source quoted Xi as telling Khaleda.

The South Asian region, which has not been in China's focus in the past, has become more important in recent years, especially after China put forward the Belt and Road Initiative in 2013, said Jiang Jinghui, director of the Center of South Asian Studies at Peking University.

"To some extent, the South Asian region is also one of China's backyards," he said, adding that the northern part of South Asia is key for the (Silk Road Economic) Belt, while the southern part is important for the (21st Century Maritime Silk) Road, said a China Daily report.

Bangladesh has been positive in implementing the China-India-Myanmar-Bangladesh economic corridor, and Xi's visit will bring more practical cooperative results for the two countries, he said.

Ye Hailin, director of the Center of South Asia Studies with the Chinese Academy of Social Sciences, said that Bangladesh, as an important South Asian country located off the Bay of Bengal, can be China's key partner in building the Silk Road Economic Belt and the 21st-Century Maritime Silk

Road, also known as "Belt and Road", according to a report of the People's Daily on Thursday.

Chai Xi, former Chinese ambassador to Bangladesh, believes that the president's visit is of great importance.

The visit will surely yield concrete fruits for the construction of the "Belt and Road" and Bangladesh-China-India-Myanmar Economic Corridor as Bangladesh occupies a key position along both routes, the People's Daily reported, quoting the ambassador.

The Chinese leader focused on South Asian countries to implement his dream project. He has already visited India, Pakistan, Sri Lanka and the Maldives, and China inked deals worth billions of dollars for development projects in those countries.

In the last three years, Xi visited many countries along the ancient Silk Road, and Beijing signed many deals with the countries, promising to invest billions of dollars in different sectors, particularly for infrastructure development.

Under the "One Belt, One Road" initiative comprising the Silk Road Economic Belt and the 21st Century Maritime Silk Road, the Asian giant is focusing on building a trade and infrastructure network for connecting Asian countries with Europe and Africa along the ancient Silk Road routes.

China, the world's largest exporter of goods since 2009, needs such a network to maintain its double digit growth by opening new markets for its consumer goods and to increase its dominance over the region in a peaceful manner in the name of trade, say analysts.

Beijing looks to garner international

favour through a massive investment effort in Europe and Asia to surpass the US on the world stage, said Sputnik in a report on June 3.

In recent years, China planned infrastructure projects involving over \$200 billion for construction, and \$1 trillion for other projects are on the horizon, dwarfing US foreign investment by several orders of magnitude, mentioned the online news and radio broadcast service established by the Russian government-controlled news agency Rossiya Segodnya.

The "Belt and Road" initiative has gathered substantial pace in the last three years.

In November 2014, China announced the creation of a \$40 billion Silk Road Fund. Under China's leadership, Asian Infrastructure Investment Bank (AIIB) was set up by 21 countries with a registered capital of \$100 billion in October last year for funding Asian energy, transport and infrastructure projects.

"So far, up to 34 countries and international organisations have inked deals with China to build the Belt and Road Initiative, while over 70 countries and organisations have voiced support for and willingness to join the initiative," said China's official news agency Xinhua in a report on June 17 this year.

**WHAT'S SILK ROAD**

The original Silk Road came into being during the westward expansion of China's Han Dynasty more than 2,100 years ago. It forged trade networks throughout what are today the Central Asian countries of Kyrgyzstan, Tajikistan, Kazakhstan, Uzbekistan,

Turkmenistan, and Afghanistan, as well as modern-day Pakistan and India to the South. Those routes eventually extended over 4,000 miles to Europe.

Under the "One Belt, One Road" initiative, China is now working to build an economic land belt that includes countries on the original Silk Road through Central Asia, West Asia, the Middle East and Europe, as well as a maritime road that links China's port facilities with the African coast, pushing up through the Suez Canal into the Mediterranean.

China has also announced investing in port development throughout the Indian Ocean, and in Bangladesh, Sri Lanka, the Maldives and Pakistan to accommodate expanding maritime trade traffic.

The joint statement on strategic partnership of cooperation by Xi and Hasina yesterday said the proposed "Silk Road Economic Belt" and the "21st Century Maritime Silk Road" would bring important opportunities for Bangladesh's goal of becoming a middle-income country by 2021 and a Developed country by 2041.

The statement added: "The two sides condemned terrorism in all its form and manifestations. The Chinese side conveyed its support for Bangladesh's efforts in combating terrorism and maintaining national security and stability and expressed its readiness to cooperate through sharing of information, capacity building and training with Bangladeshi side. The two sides agreed to explore the possibility of establishing a dialogue mechanism on countering terrorism."

## Partnership

FROM PAGE 1

statement after a meeting with Chinese President Xi Jinping at her office.

"Under this strategic partnership, we have agreed to work towards socio-economic advancement of the people of our two countries," she said, adding that her government's efforts were aimed at attaining goals of turning Bangladesh into a knowledge-based middle-income country by 2021 and eventually a developed country by 2041.

"By attaining these goals, we will realise Bangabandhu's dream of Sonar Bangladesh -- The Golden Bengal -- a Bangladesh free of hunger, poverty and deprivation."

Describing President Xi's visit as much expected by the people of Bangladesh, the premier said she had a very fruitful discussion with the president on bilateral, regional and international issues.

"We reached consensus on cooperation in key areas, such as trade and investment, infrastructure, industry, power and energy, information and communication technology and agriculture."

Hasina noted that Bangladesh reiterated its commitment to support One China Policy.

She said she along with the Chinese president witnessed signing of agreements and MoUs between the two countries. These instruments cover areas, including trade and investment, Blue Economy, BCIM-EC, roads and bridges, railways, power, maritime, ICT, industrial production, capacity building and skill development.

"We have unveiled plaques of six projects," she said.

The PM mentioned that signing of deals and unveiling of plaques create a platform for the two countries to cooperate at a higher plane.

The meeting between the two leaders lasted for about an hour. Prior to the meeting, Hasina had a tête-à-tête with the Chinese president for about 10 minutes.

Senior ministers, bureaucrats and members of Xi's entourage were present during the joint press statement of the two leaders.

## \$24.45b deals

FROM PAGE 1

agreements and MoUs were inked between the two countries.

Last night, the two sides issued a joint statement, which didn't contain any details of the agreements or financing.

Seeking anonymity, an ERD official said the MoU on strengthening investment and production capacity cooperation includes a list of 28 projects but it doesn't mention the amount of Chinese funds.

Apart from the MoU, the two sides inked two loan agreements involving \$464 million, and another loan deal under which China will provide Bangladesh \$1.9 billion for a coal-fired power plant near Payra port in Patuakhali.

Besides, Beijing will give \$583 million in financial assistance under three cooperation programmes.

According to the draft MoU, more projects would be included in the list upon consultations between the two sides.

Some of the projects were already approved by the Executive Committee of the National Economic Council and

the Cabinet Committee on Economic Affairs.

The draft MoU says both sides would encourage organisations and enterprises of the two countries to cooperate in the fields of infrastructure construction, energy and power, transportation, communication and establishment of economic and industrial zones and other fields.

The MoU said there would be five cooperation approaches. These are: Investment, both direct and indirect; infrastructure construction and operation, planning, design, supply, construction, operation and technical cooperation; construction of economic and industrial zone, scientific park, process zone, development zones and special economic zones; technology communication and transfer; personal exchange and training; and labour service cooperation.

If needed, the two sides would jointly formulate medium and long-term development plans on investment and capacity cooperation, and adjust the list of the key projects mentioned in the MoU.

## Ties at new historical starting point

FROM PAGE 1

The Chinese president was making press statements following a meeting with Prime Minister Sheikh Hasina and the signing of 27 Memorandums of Understanding (MoUs) and agreements between the two countries at the Prime Minister's Office.

Terming his meeting with Hasina "warm and productive", Xi said they reached agreements on a number of important issues.

He said both the countries agreed to elevate their relationship from a "closer comprehensive partnership of cooperation" to a "strategic partnership of cooperation".

The countries agreed to jointly advance the "belt and road initiative", he said, adding that they also agreed to launch a joint feasibility study on a China-Bangladesh FTA (free-trade agreement) to strengthen trade and investment cooperation, and

strengthen practical cooperation in key areas like infrastructure, production, capacity, energy and power, transportation, ICT and agriculture.

The Chinese president said they agreed to establish and carry out institutionalised cooperation in areas like maritime affairs and counter terrorism, jointly advance the BCIM economic corridor and increase communication and co-ordination on international and regional issues of shared interest.

Terming Bangladesh and China "good neighbours, good friends and good partners," Xi said China will continue to do its best to provide capital, technological and human resources, and carry out more cooperation on big projects with Bangladesh to support its economic and social development.

"We agreed to designate the year of 2017 as the year of exchange and

friendship between China and Bangladesh during which colourful events will be held to carry forward traditional friendship between our two countries.

"This way China-Bangladesh cooperation will deliver more fruits to our people and also contribute to peace, stability and development in the region," he added.

Xi hoped that he would use this visit to chart the course for future growth of China-Bangladesh relations from a strategic and long-term perspective together with the leaders of Bangladesh.

Later in the day, the Chinese president met President Abdul Hamid at the Cabinet Hall of Bangabhaban.

During the meeting, Xi appreciated Bangladesh's economic stability and mentioned that Bangladesh is a very important country in South Asia, reports UNB.

As per the MoU, in case of projects supported by Chinese concessional funds, Bangladesh would select Chinese enterprises for their implementation in line with the country's existing laws and China's relevant policies.

Bangladesh's ERD and China's Department of Outward Investment and Economic Cooperation would work together to ensure proper implementation of the commitments. And if necessary, they would hold meetings from time to time and solve the problems.

The ERD official said the tenure of the MoU would be two years, and it would be automatically renewed for two more years unless any of the two sides writes to the other for terminating it six months prior to its expiry date.

The tenure of the MoU may be extended further if both the sides want so.

The two countries also signed framework and loan agreements on two more projects that involve purchase of six ships from China with a loan of \$184 million and setting up

of Dasherbandi Water Treatment Plant with a loan of \$280 million.

The Dasherbandi project would treat water from the Balu river for Hatirjheel and adjacent areas.

Besides, China will provide \$1.9 billion for setting up a 1,320-megawatt coal-based power plant near Payra port. The deal is the culmination of an MoU signed during Prime Minister Sheikh Hasina's visit to China in 2014. The Bangladesh authorities are acquiring land to set up the plant.

The two sides also signed three cooperation agreements.

As per one of the agreements, Bangladesh would receive \$83 million in grants for "The Project of Disaster Emergency Operation Centre and Information Platform".

The agreement involves purchase of some 1,000 motorbikes, which would be able to move quickly in narrow roads of cities, allowing firefighters to carry out their operation swiftly.

According to the second cooperation agreement, the Chinese government would also provide \$500 million from 2016 to 2020 for special assistance projects aimed at disaster prevention and reduction, said an ERD official.

The funds would be used to construct emergency operation centres and emergency shelters, and train government officials, technicians and members of communities.

The third cooperation agreement is aimed at carrying out feasibility study to set up three bridges with Chinese financing.

Since the establishment of diplomatic ties in 1975, China has provided financing to set up eight bridges in Bangladesh.

Economic relations between the two countries deepened in recent years.

China is currently Bangladesh's largest trading partner, while Bangladesh is China's third largest trading partner in South Asia, according to Chinese government data.

Bangladesh is also China's third largest project contract market in South Asia.

Two-way trade between the two countries reached \$14.7 billion in 2015, up 17 percent year-on-year.