

LI'S VISIT

SCO urged to cut trade barriers

Premier: Country hopes to help bloc improve their economies

By QIN JIZE in Astana and ZHAO YINAN in Beijing

China proposed to help Shanghai Cooperation Organisation countries upgrade their resource-based economies with advanced industrial equipment and financial support to hedge against the impact of plunging oil prices and geopolitical uncertainties.

The organization's six members — China, Russia and four Central Asian countries — signed deals to deepen cooperation in customs, law enforcement and a multilateral economic and trade outline on Monday, following the 13th prime ministers' meeting of the bloc in Astana, Kazakhstan.

Premier Li Keqiang called upon the organization to cut trade barriers, improve the efficiency of customs and open market access among the organization's members. He also announced the start of the selection of projects for the \$5 billion China-Eurasia cooperation fund.

Economic growth in Central Asia will continue to decelerate in 2015, hit by deepening geopolitical tensions between Russia and Ukraine, the International Monetary Fund said last month. "China is willing to cooperate with all the members in the organization in the same way as we are working with Kazakhstan," Li told government heads at the meeting on Monday. "The



Premier Li Keqiang and Russian Prime Minister Dmitry Medvedev (center), Kazakh Prime Minister Karim Masimov (second left), Tajik Prime Minister Kokhir Rasulzoda (second right), Kyrgyz Prime Minister Almazbek Atambayev (first left) and Uzbek First Deputy Prime Minister Rustam Azimov (first right) attend the 13th prime ministers' meeting of the Shanghai Cooperation Organisation in Astana, Kazakhstan, on Monday.

PANG XINGLEI / XINHUA

state members are in a transitional period to sustain growth while restructuring the economy. We'd invest in steel, cement, electricity and the deep-processing of resources to help local economies while transferring China's overcapacity."

The regional bloc, founded by China, Russia, Kazakhstan, Tajikistan, Kyrgyzstan and Uzbekistan, contains three-fifths of the Eurasian continent and one-fourth of the world's population. Afghanistan, India, Iran, Mongolia and Pakistan

are observers, and Belarus, Turkey and Sri Lanka are dialogue partners.

Total economic output of the region took up 14.9 percent of the world economy, compared with just 4.8 percent in 2001. China's trade with the other five state members jumped from \$12.1 billion in 2001 to \$130 billion dollars in 2013.

At Monday's meeting, Kazakh Prime Minister Karim Masimov said that as the Kazakh government tries to reduce the side effects of the

international economic turbulence through strengthening cooperation with state members of the SCO, Beijing's proposal to build a Silk Road Economic Belt is particularly favorable to the region.

Xing Guangcheng, a researcher at the Chinese Academy of Social Sciences, said security and economic cooperation are the two wheels of the regional bloc, and tumbling energy prices, geopolitical tension and looming deflation have compelled regional members to

join hands to prop up growth.

"But such cooperation remains underdeveloped compared with their exchanges on regional security. Opportunities lie in Beijing's proposal to build a Silk Road Economic Belt, as well as in the fact that, as the world's second-largest economy, China can serve as the gateway to the Asia Pacific region for other member states," Xing said.

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Serbia builds more bridges with China

By ZHAO SHENGNAN zhaoshengnan@chinadaily.com.cn



Before becoming the Serbian ambassador to China less than two months ago, Milan Bacevic was the minister of natural resources, mining and spatial planning in Belgrade.

His title has changed, but one mission has not: seeking Chinese investment, especially in infrastructure.

Bacevic's endeavors in that field will be boosted by Premier Li Keqiang's trip to Serbia on Monday, the first by a Chinese premier to the Balkan country in 28 years.

During his visit, Li was due to meet with the Serbian president and prime minister, and he will represent China at a meeting with leaders from Central and Eastern European countries.

"A great number" of agreements will be signed during the Serbia trip, covering areas including infrastructure, civil aviation, energy, finance, agriculture and education, Bacevic told China Daily in Beijing recently. "We welcome more Chinese companies to come and invest in Serbia."

Among Central and Eastern European countries, Serbia has the largest number of joint infrastructure projects with China, he said. A major transport infrastructure and logistics center is expected to be established in Belgrade, he said.

Bacevic highlighted the construction of a 1.5-km bridge by China Road and Bridge Corp over the Danube, Europe's second-longest river, which flows through Serbia. Li is expected to attend the completion ceremony for the bridge in Belgrade.

Connectivity is also high on the agenda of the leaders' meeting, as infrastructure was damaged during the conflicts of the 1990s.

A "new breakthrough" is expected to be made with the Belgrade-Budapest Railway that China is building with Serbia and Hungary, Bacevic said.

Li's visit will be important for Serbia's foreign policy priority — its EU path — because China's position as a major power is important for both Serbia and the EU."

MILAN BACEVIC SERBIAN AMBASSADOR TO CHINA

The countries agreed to build the railway, the first cross-border infrastructure project in the Central and Eastern Europe, last year.

China has already confirmed its constructive role in the region, especially since the region has a high need for infrastructure, and China has the financial resources, know-how and experience to help achieve the goal, Bacevic said.

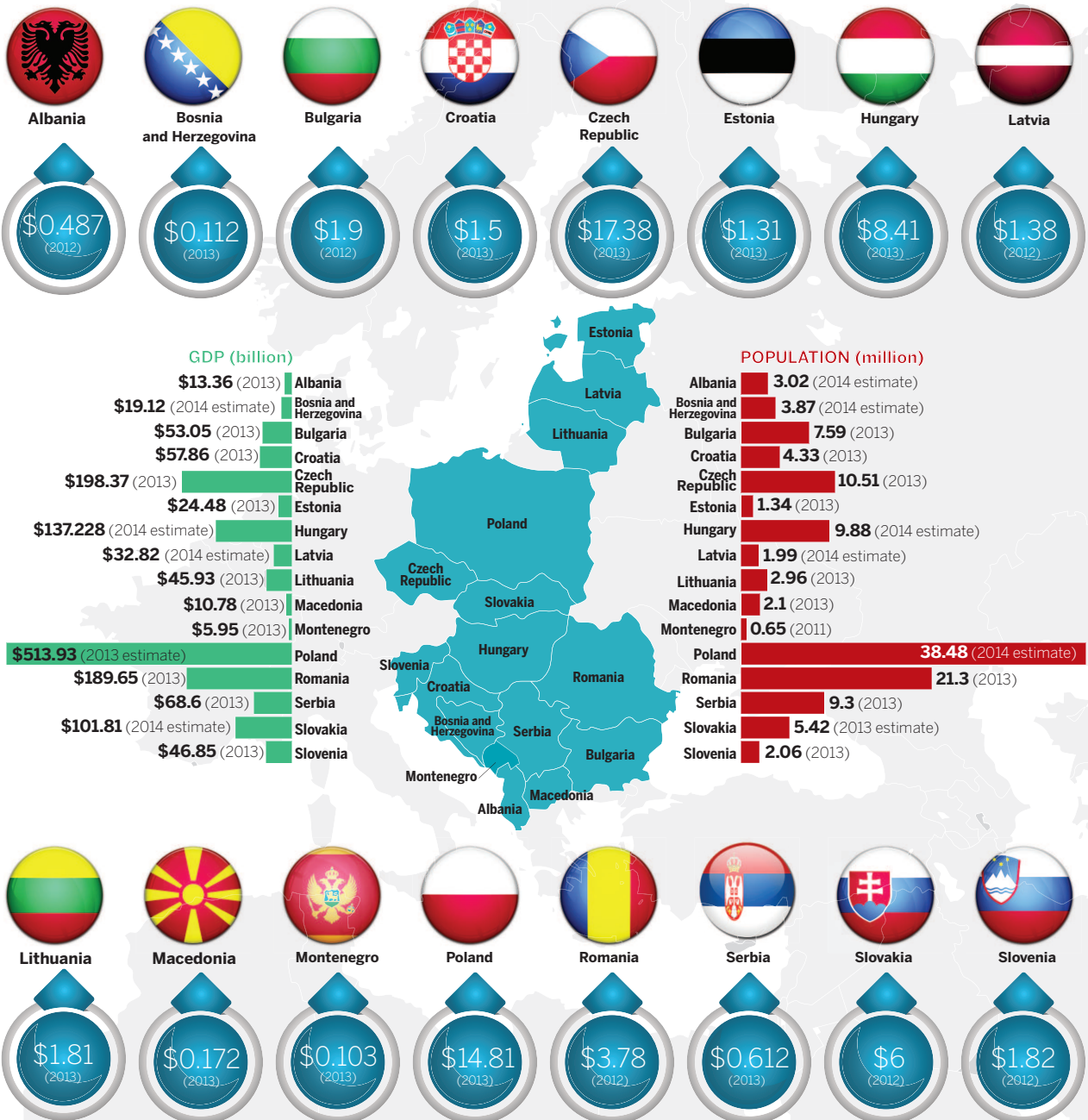
Li's visit will also promote relations between China and the European Union, he said, adding that Serbia can play a key role in that process and with regard to Beijing's proposed trans-Eurasia Silk Road Economic Belt.

Serbia, which is situated at the crossroads between central and southeast Europe, is an EU candidate country. Its free trade agreements with the EU and Russia, among others, offer access to a substantial market for Chinese companies that invest in the landlocked nation.

"Li's visit will be important for Serbia's foreign policy priority — its EU path — because China's position as a major power is important for both Serbia and the EU," he said.

CHINA'S TRADE WITH CENTRAL, EASTERN EUROPE

Unit: billion dollars



Sources: Ministry of Foreign Affairs, Xinhua News Agency

LIU LUNAN / CHINA DAILY

tidbits

Mandarin speaker

Kazakh Prime Minister Karim Masimov, a fluent Mandarin speaker, studied in China and headed a trading operation in Hong Kong. While addressing business leaders from both countries on Sunday, Masimov welcomed China's representatives in Mandarin. "A Chinese saying goes that friendship is priceless," he said, to much applause. Premier Li Keqiang said he admired Masimov's language proficiency, and added he was inclined to learn Kazakh, to bring the two countries closer together.

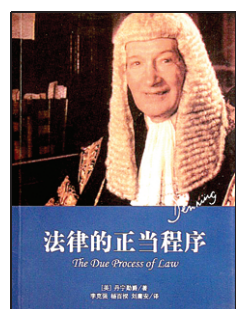
Astana hotel where the Chinese delegation was based. Li presented a gift to Masimov: *The Due Process of Law*, a book that was jointly translated by Li and his classmates when he studied at Peking University. Masimov, like Li, holds a doctoral degree in economics, and said he would treasure the book.

Gift to Masimov

Masimov hosted an exclusive breakfast with Li on Monday morning in an



Nursultan Nazarbayev, Kazakh President



The Due Process of Law, a book that was jointly translated by Premier Li Keqiang and his classmates when he studied at Peking University

Exception for Li

Kazakh President Nursultan Nazarbayev usually does not meet guests during the weekend, but he made an exception for Li on Sunday. The two leaders talked for 90 minutes via simultaneous interpretation, instead of the more common consecutive interpretation which leads to conversation gaps, to save time and cover as many issues as possible. At the end of the meeting, Nazarbayev said he was impressed by Li's efficiency and pragmatic approach.

ZHAO SHENGNAN