



Asian Regional Conference Belt and Road Initiative : Prospects and Challenges

Conference Report

Bangladesh Institute of Peace and Security Studies

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**Asian Regional Conference
on
Belt and Road Initiative: Prospects and Challenges**

Organized by:



Bangladesh Institute of Peace and Security Studies (BIPSS)

Asian Regional Conference on Belt and Road Initiative: Prospects and Challenges

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EXECUTIVE SUMMARY

The international conference titled 'Asian Regional Conference on Belt and Road Initiative: Prospects and Challenges' organised by Bangladesh Institute of Peace and Security Studies (BIPSS) at Radisson Blu Dhaka Water Garden in Dhaka, provided a unique opportunity for the intelligentsia, civil society, members of academia and media of Bangladesh to understand various aspects of China's Belt and Road Initiative (BRI) and its implication on Asia and beyond.

The inaugural session began with welcome remarks of President, BIPSS, Major General A N M Muniruzzaman, ndc, psc (Retd). The inaugural session was devoted to discuss the Bangladesh- China relations and the evolving role of BRI. The mega development project of the century. Various aspects of BRI, including the revival of the historical trade routes, cultural ties between people in the region, and future projections regarding the initiative were discussed by the eminent experts from Bangladesh and beyond. The opening address was delivered by the chief guest HE Zhang Zuo, Ambassador of People's Republic of China to Bangladesh.

The Working Session 01 consisted of two renowned speakers who are experts in their chosen own fields. Dr. Lailufar Yasmin, Deputy Director, International Affairs of Bangladesh Institute of Law and International Affairs (BILIA) was the first speaker of the session. She elaborated on the conceptual framework of understanding the vision of the BRI. She also touched upon BRI as a global infrastructural plan of the century that is changing the world as we know it. The next speaker was Mr. Shafqat Munir, Research Fellow at the Bangladesh Institute of Peace and Security Studies (BIPSS), Head of Bangladesh Centre for Terrorism Research (BCTR). He concentrated on the people to people contact under the BRI and how this initiative can work through people's interactions for understanding one another better and can contribute to achieve inclusive development.



Major General A N M. Muniruzzaman (Retd), President, Bipss, with the Chinese Ambassador to Bangladesh HE Zhong Zuo

The Working Session 02 consisted of two distinguished speakers from Sri Lanka and Nepal. Ms. Divya Hundlani, Research Fellow, Lakshman Kadirgamar Institute, Colombo, Sri Lanka, elaborated on the sustainable issues of BRI. She stated that China is positioning itself as a global leader through major investments in BRI countries. It is also positioning itself as a global leader on key environmental issues on sustainability, environment friendly economic growth and climate change issues. The next session speaker was Mr. Madhu Raman Acharya, a former career diplomat of Nepal. Mr. Acharya focused on Belt and Road Initiative (BRI) as a transformative opportunity that embraces global connectivity and regional economic integration. He stated that China already has strong economic relations with each of the countries in South Asia and will be leading the process of globalisation in near future.

The Working Session 03 held two distinguished speakers from China and Malaysia. Dr. Zhang Jiadong, Professor of International Relations, Dean of BRI Institute of Strategy and International Security, Director of Center for South Asia Studies, Fudan University, Shanghai, China. He focused on the strategic significance of BRI and argued that BRI is not China's new geopolitical and economic strategy in the face of an American pivot to Asia. Rather this initiative has been implemented for years. BRI is not just a vision for a new wave of globalization from the perspective of the western paradigms. This initiative is helping the world be more stable, equal, peaceful and more prosperous. The next speaker was Mr. Sholto Byrnes, Senior Fellow, ISIS Malaysia, focused on the relevance of BRI in South and South East Asian region. He stated that the BRI in principle is to be welcomed by everyone who values increased trade and connectivity. Although many countries are eager to join in the initiative, others consider it a debt trap and a way for China to gain both economic and geo-strategic advantage in Asia.

The Working Session 04 had two distinguished speakers from China and Singapore. Dr. LIN Minwang is an Associate Professor and Deputy Director at the Center for South Asian Studies, Fudan University, Shanghai, China. The focus of his presentation was on infrastructure and different prospects of development in BRI. Infrastructure construction plays the most crucial role in this initiative. He also focused on the significant impacts the initiative may have on the region and the world in years to come. Another speaker was Mr.

Hernaikh Singh, Senior Associate Director, Institute of South Asian Studies, National University of Singapore. His primary focus was addressing the common regional challenges of BRI. He focused on various aspects of The Belt and Road Initiative (BRI). While he also argued that there are numerous benefits of joining in the BRI, however, to achieve desired results in the context of collective growth, he stressed, we must also address the concerns and challenges that lies ahead. However, he pointed out that there are common concerns as well faced by the BRI countries arising from their participation.

The report also consists of a special address by the Vice President of Yunnan Academy of Social Sciences (YASS), Yunnan, China.

The concluding and closing remarks were given by the President of BIPSS, Major General A N M Muniruzzaman, ndc, psc (Retd). On his remark, the President, BIPSS, highlighted the importance of the connectivity that leads to productivity. He also stressed on the fact that although the BRI is perceived as the mega infrastructure initiative of this century, it also embraces a people-centric approach. He also suggested that we need to understand all complexities involving the concept of BRI so that we can articulate our national strategy to serve our national interests.

Welcome Remarks by President of BIPSS Major General A N M Muniruzzaman (Retd)



Major General A N M Muniruzzaman (Retd), President, Bipss, delivering his welcome remarks

Assalamualaikum, a very good morning to all of you. It's my pleasure to welcome all of you to this very important deliberation in the Asia Regional Conference on Belt and Road Initiative: Prospects and Challenges. I would especially like to thank our invited speakers who have travelled to Bangladesh from many countries of South, South-East Asia and China. A special thanks to our honorable chief guest for accepting our invitation to inaugurate this conference this morning, 'Thank you sir for coming.'

The history of BRI is long. More than two millennia ago, the diligent and courageous people of Eurasia explored and opened up several routes of trade and cultural exchanges that linked the major civilizations

of Asia, Europe and Africa, collectively called the Silk Road by later generations. For thousands of years, the Silk Road Spirit – “peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit” – has been passed down from generation to generation, promoted the progress of human civilization, and contributed greatly to the prosperity and development of the countries along the Silk Road. Symbolizing communication and cooperation between the East and the West, the Silk Road Spirit is a historic and cultural heritage shared by all countries around the world.

In the 21st century, a new era marked by the theme of peace, development, cooperation and mutual benefit, it is all the more important for us to carry on the Silk Road Spirit in face of the weak recovery of the global economy, and complex international and regional situations. When Chinese President Xi Jinping visited Central Asia and Southeast Asia in September and October of 2013, he raised the initiative of jointly building the Silk Road Economic Belt and the 21st-Century Maritime Silk Road (hereinafter referred to as the Belt and Road), which have attracted close attention from all over the world. He aptly called it “the project of the century”. It is in fact a mega vision that will operate at the level of grand strategy. BRI consists of two parts—the Belt which recreates the old Silk Road land route and the Road, which is not actually a road but a maritime route through various oceans linking the continents. As of January 2018, 71 countries, representing a third of the global GDP have joined the project. China has invested more than 900 billion dollars in projects along The Belt and Road mainly in infrastructure, transport and energy. These include a gas pipeline in Pakistan, a motorway in Hungary and a high-speed rail link in Thailand.

Belt: The Belt is a still-evolving, long-term vision for Eurasian infrastructural development, connectivity and economic cooperation. There exists a vast vacuum of critical infrastructure in large parts of Eurasia, which many relevant states are not able to fill. It has thus been received with enthusiasm throughout many parts of Eurasia. The belt can provide public goods that could potentially catalyze socioeconomic development in Central and South and South East Asian countries.

Road: The Maritime Silk Road (the Road) aims at creating a \$1.8 trillion blue or maritime based economy, improving food and energy security, securing sea lanes of communication and furthering global maritime connectivity. The Road, alongside the Silk Road Economic Belt, intends to bridge a vast global terrestrial-maritime connectivity gap and may indeed lead to positive development and cooperation spin offs. In the Indian Ocean Region, the Road will stimulate development support and connectivity. The Road could, in association with the Belt, reshape the nature of the Indian Ocean Region as a more interconnected global commons in lieu of its previous role as a relatively enclosed maritime space.

Bangladesh is an important member of BRI and has signed several contracts for infrastructure construction and economic cooperation totaling 40 billion US dollars during the visit of President Xi Jinping to Dhaka in October 2016. We are a key maritime nation along the Road and a strategic Indian Ocean country. Our geo-strategic location at the critical entry point of the Bay of Bengal gives us the opportunity to play a major role in this geo-economic and geo-connectivity vision of BRI. More importantly we are going to be part of one of the six economic corridors of BRI. The old BCIM corridor will become a major BRI economic corridor; in fact, it will be one the two major maritime economic corridors of BRI. As the eighth largest nation on earth with huge geo- strategic significance we have the opportunity not only play a major role in BRI but also take its best benefits. It will all depend on how we shape our future.

Like any ambitious project, the successful implementation of BRI is also not without challenges. It has raised concerns in many quarters which need to be addressed transparently. Perhaps it needs better articulation strategy to remove any fear or suspicion. It is a collective endeavor and open and inclusive for all. The

Belt and Road Initiative is a systematic project, which should be jointly built through consultation to meet the interests of all, and efforts should be made to integrate the development strategies of the countries along the Belt and Road. Complex and profound changes are taking place in the world. The underlying impact of the international financial crisis keeps emerging; the world economy is recovering slowly, and global development is uneven; the international trade and investment landscape and rules for multilateral trade and investment are undergoing major adjustments; and countries still face big challenges to their development. The initiative to jointly build the Belt and Road, embracing the trend towards a multi-polar world, economic globalization, cultural diversity and greater IT application, is designed to uphold the global free trade regime and the open world economy in the spirit of open regional cooperation. It is aimed at promoting orderly and free flow of economic factors, highly efficient allocation of resources and deep integration of markets; encouraging the countries along the Belt and Road to achieve economic policy coordination and carry out broader and more in-depth regional cooperation of higher standards; and jointly creating an open, inclusive and balanced regional economic cooperation architecture that benefit's all.

With those opening remarks, I hope the next two days in which we shall be deliberating about various facets about this big concept of BRI. We have eminent speakers who have traveled from far to Bangladesh to discuss the issues and I hope with your participations from the floor we shall bring the best of the discussions we have over the next sessions. I am sure with your contributions; we shall establish this conference as a success. I thank you all for being with us this morning and I hope you continue to enjoy the deliberation for today and tomorrow.

Opening Address by the Chief Guest: HE Zhang ZUO Ambassador of Peoples Republic of China to Bangladesh



HE Zhang Zuo, Ambassador of People's Republic of China to Bangladesh, delivering the opening address

Respected Mr. Muniruzzaman, President of Bangladesh Institute of Peace and Security Studies, His Excellency Mr. Madhu Raman Acharya, Former Foreign Secretary of Nepal, ladies and gentlemen, Assalamualaikum and good morning. I'm delighted to attend this Forum held by Bangladesh Institute of Peace and Security

Studies (BIPSS). I'd like to extend my thanks and welcome to all the scholars and experts here who take an interest in the development of China and in studies on the Belt and Road initiative.

The Belt and Road initiative (BRI) has its root in the history, while facing the future; it is proposed by China, at the same time belongs to the world. After Chinese President: Xi Jinping put forward the BRI in 2013, 103 countries and international organizations have signed cooperation agreements with China. People from relevant countries are having an increasing sense of gain. A brighter prospect of the BRI is being carved out with the interconnected and simultaneous development of multiple "roads of dreams", including the Blue Economy Corridor, the Sky Silk Road and the Digital Silk Road.

The BRI keeps offering new prospects for cooperation for South Asia and South-East Asia, for which the China-Bangladesh relationship is a vivid example. During the successful state visit of President Xi to Bangladesh in October 2016, our bilateral relationship was elevated to Strategic Partnership of Cooperation, which started a new chapter in the BRI. In 2017, our bilateral trade value reached 16 billion dollars, 5.8% higher than last year, with China . The engineering contracts signed between Bangladesh and Chinese companies reached 10.4 billion dollars, second in the South Asian region. In the first half of this year, our bilateral trade value stands at 9.35 billion dollars, with a growth rate of 17.6% year on year; the contracts signed are worth 3.57 billion dollars, a growth rate of 8.6% year-on- year and no.1 in South Asia; Chinese investments stand at 85.94 million dollars, and 380 million in terms of stock. The people of China and Bangladesh have jointly written a splendid chapter of common development and strong complementarities with mutual respect and equality.

Ladies and gentlemen, for thousands of years, China, South Asia and Southeast Asia have been looking out for each other like a family. Now-a-days, we share common grounds of interests and destiny, which makes win-win cooperation the trend of our time. Looking ahead, it requires us to deepen our cooperation with the future in mind, make joint efforts to promote the BRI, and contribute to building a community of shared future for mankind. For this, I'd like to propose five suggestions.

First, to persist a peaceful cooperation and strengthen strategic mutual trust. China, South Asia and Southeast Asia share the goals to maintain world peace and safeguard regional development. So, we need to jointly put in to practice a shared, comprehensive, cooperative and sustainable security approach, so as to promote universal security and common security.

We need to work together to consolidate the foundation for peace and security, cast aside the Cold War mentality and power politics, insist on equality among countries big and small, adhere to the new approach for international relations that encourage conversations instead of confrontation, partnership instead of alliances, with the aim to build a new type of relationship between China and countries in South and Southeast Asia.

We need to work together to create a peaceful and secure environment, actively engage in negotiations for solving geo-political hotspot issues, insist on solving disputes through dialogues and negotiations, comprehensively respond to traditional and non-traditional security threats, and oppose to all kinds of terrorism in order to play a responsible role in regional cooperation.

We need to work together to improve risk control systems, follow the laws of different countries while building the BRI, strengthen collaborations in defense, law enforcement and information security, and improve the security protection mechanism and risk resistance ability on all fronts.

We need to work together to generate broader development opportunities. China will further regulate Chinese companies' investment and operational behaviors and ensure legal and well-regulated business operations. We welcome any country interested to join the initiative and will not exclude or go against any party. China will hold Belt and Road Forum for International Cooperation next year and call for active participation from all countries.

The friendship between China and Bangladesh can be dated way back into history yet staying young and fresh at the same time. Since the establishment of our diplomatic ties, we have been maintaining a friendly relation, respecting each other's chosen development path, and paying attention to each other's core interests and concerns. We are also having frequent high-level visits.

Bangladesh is the converging point of the land and maritime silk roads, and thus a natural partner for building the BRI. We should maintain high level exchanges, firmly stand behind global peace and become partners for peaceful cooperation.

Second, to persisting win-win cooperation for the well-being of the people. As close neighbors to China, South Asian and Southeast Asian countries play a significant role in the evolvement of global governance system. In global governance, we should be committed to extensive consultation, joint contribution and shared benefits, and together build a community of shared future for China, South Asian and Southeast Asian countries. We should place people at the center of our cooperation, make efforts to improve people's livelihood and welfare, provide good solutions to key issues regarding important projects, financial support, investment environment, risk management and safety protection, with a focus on infrastructure construction and production capacity cooperation, so as to build a community of shared benefits and responsibilities.

We should improve the level of global governance, urge all relevant parties to adhere to the commonly established international rules and standards, as well as market rules, encourage all countries to jointly set up new mechanisms and rules for new areas including ocean and sea, the Internet, outer space, nuclear safety and climate change, and build a cooperation network for developing countries in the global governance system.

We should uphold multilateralism, facilitate regional trade and investment, have active discussions on the establishment of FTA, fully utilize platforms like the Asian Infrastructure Investment Bank and the Silk Road Fund, and deepen the cooperation between financial institutions and the financial markets.

We should build a powerful engine for win-win cooperation. China remains committed to developing in an open environment and will form stronger synergies with international rules. As Shanghai is soon ongoing to hold China International Import Expo, we will take the initiative to further expand our import. We welcome countries from South Asia and Southeast Asia to take a ride in China's development.

We need to put more efforts in to expanding the market, set up more trade facilitation platforms, expand market-oriented and 2-way investment cooperation in which companies are the key players, strengthen cross-border e-commerce collaborations, and promote the free flow of production resources, highly efficient allocation of resources and deep market integration.

We need to promote the transition of BRI towards a higher quality development. Through stronger connectivity among different countries, countries at a weaker position can be allowed to participate in the global division of labor, so that their people can gain more benefits from the global value chain.

Both China and Bangladesh have highly prosperous markets that attract businessmen from all over the world. Bangladesh's development ideas like 100 economic zones, blue economy and digital Bangladesh can be naturally integrated in to the development vision described in the BRI. China and Bangladesh should accelerate the construction of the Padma Bridge and other key projects, advance the feasibility study for China Bangladesh FTA, and then start the negotiation as soon as possible for fruitful outcomes. We will complete the exchange of letters for zero-tariff treatment to 97% of tariff items exported from Bangladesh to China within a short time, further boost the export of Bangladeshi goods to Chinese market. With further development assistance, economic investments and infrastructure cooperation, we will become open and inclusive partners.

Fourth, to persist in innovation-driven and joint development. China and countries in South Asia and Southeast Asia are developing countries, so development is our priority and a common mission. We should advocate for an innovative, coordinated, green, open and shared development approach, encourage simultaneous development between China and countries. In South Asia and Southeast Asia and facilitate common prosperity and development.

We could jointly promote innovation-driven development, actively expand cooperation in digital economy, maritime economy, shared economy and internet financing, strengthen cooperation in high-tech industries including AI, nanotechnology, and quantum computers, and push for more cooperation results in infrastructure network, big data, cloud computation, smart city and e-commerce.

We could optimize the innovation environment, drive the integration of technologies into industries and finance, attach importance for creating the space for entrepreneurship for the young generation, and allow them to pursuit their dreams. We could practice the idea of green development, promote a green, low carbon, recyclable and sustainable life and production style, step up cooperation in climate change, environmental protection, energy reservation and emission reduction, and jointly build a green silk road.

We could further align our development strategies, strengthen the coordination between our macro-economic policies, deepen exchanges and mutual learning on theoretical innovation, build think tank alliance and cooperation networks, increase the connectivity of policies, rules and standards, accelerate the transition from old growth drivers to new ones, as well as the reformation and upgrading of economic structure.

China and Bangladesh have high complementarities and convergence of interests. We could harness innovation to drive forward development, support the cross-border cooperation between Shenzhen-Shanghai Stock Exchange consortium and Dhaka Stock Exchange to have a rapid growth, as well as the strategic partnership between Ant Finance and Bkash , the largest online payment company in Bangladesh. We should also encourage the development of emerging industries such as Internet plus, use the Chinese Industrial Park in Chittagong and the Chinese steel manufacturing project as our pivot point to support Chinese companies to create more jobs in Bangladesh, and carry out more training sessions for professional personnel, so as to become innovative partners.

Fifth, to enhance people to people exchanges and mutual learning. China's development depends on its neighbors, who will also be the first to benefit from such development. We should uphold the values of equality, mutual learning, dialogues and inclusiveness, promote mutual learning between cultures through closer people to people exchanges, and people to people bond through harmonious coexistence of different civilizations. We should learn from each other more extensively. As an old Chinese saying goes, a

close neighbor is dearer than a distant relative. China and South Asian and Southeast Asian countries have been having good relations and close cooperation for a longtime. And our friendship gets stronger as time goes by. We should always remember where we started at the first place while moving forward and inherit and honor our friendly traditions.

We should tighten our ties on people to people exchanges, jointly promote lively collaborations in education, science and technology, culture, health, etc., and provide productive assistance for people's livelihood under BRI. We should set people to people bond as our goal, continue to deepen exchanges in poverty alleviation, TV and movie industry, media, city management, and rural governance, strengthen cooperation in tourism, archaeology, heritage protection, and cultural innovation industry, in order to tell more moving and intriguing stories, and consolidate public support for BRI cooperation.

We should start more cooperation channels, encourage more engagements from governments, companies, social and civil groups, promote interactions between parliaments, political parties and civil societies, and enhance exchanges between women, youths and the disabled, so as to realize a better and more inclusive development.

China and Bangladesh have been having continuous communication. For thousands of years, China has always respected Bangladesh's national realities and development path, and has been increasing our exchange in governance, development ideas and social cultures. We should further build a multi-level platform for cultural communication, start more cooperation channels, deepen our exchanges at all levels, and become inclusive partners of mutual learning.

Ladies and gentlemen, all the participants here are the leading experts in your own fields. I'm looking forward to listening to your ideas and suggestions for the BRI.

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Working Session 01

Chair: Brig Gen Mohammad Shahedul Anam Khan, ndc, psc (Retd)
Associate Editor, The Daily Star

Opening Remarks by Chair-

The first Working Session was chaired by Brig Gen Mohammad Shahedul Anam Khan, ndc, psc (Retd.), editor, Defence & Strategic Affairs, The Daily Star. Mr. Khan opened up the session with a short introduction on the two distinguished speakers who would present their papers in the session. First, Mr. Khan introduced the first speaker of the session, Ms Lailufar Yasmin, an Associate Professor from the Department of International Relations, University of Dhaka. She would go on to deliver her speech on the theoretical aspects of Belt and Road Initiative (BRI). Ms Yasmin has a considerable experience on policy studies. She extensively worked on the various aspects of China-Bangladesh relations along with studying the global impact of BRI in the years to come. Her latest research involves religion and politics, ethnic issues, maritime security and gender and conflict related issues. She offers courses on International Relations theories, nationalism and ethnicity, and gender and development.

Next, Mr. Khan introduced Mr. Shafqat Munir, Fellow at the Bangladesh Institute of Peace and Security Studies (BIPSS). His key research interests are countering terrorism and violent extremism, cybersecurity, maritime security in the Indian Ocean and other regional security issues. Mr. Munir is responsible for Bangladesh Centre for Terrorism Research (BCTR) and the Risk Assessment Unit. He also coordinates several track 1.5 and track 2 dialogues undertaken by BIPSS. After the short introduction of the speakers, the chair requested the distinguished speakers to deliver their speech.

Understanding the Concept & Vision of BRI: The Economic, Cultural and Historical Aspects

Dr. Lailufar Yasmin

Deputy Director, (International Affairs), Bangladesh Institute of Law and International Affairs (BILIA)

The first presentation was given by Professor Lailufar Yasmin. Professor Yasmin began with a focus on historical ties between the countries in the region from the ancient times. She opened her presentation with the line of Herodotus, "Neither snow, nor rain, nor heat, nor darkness of night prevents these couriers from completing their designated rounds with utmost speed". With this line, Ms. Yasmin emphasized on the dreams and aspirations of the people who are seeking their path to prosperity. She also stated that China is uniting the region, being a prosperous region, and also that Chinese policy is different from the Cold War rhetoric of development. The famous Silk Route connected the cities and metropolises across the borders, bringing the people from different cultures closer. This decade is called the 'Asian Age' as Asian countries are ascending to power. As Xi Jinping, the 7th President of the People's Republic of China initiated the Belt and Road Initiative (BRI) in 2013, along with the Maritime Silk Route (MSR), the initiative is empowering the many cities across the region. Through this initiative, the cities across the continents are now getting empowered through connectivity. Although this city-centric approach is taking place in the present time, origin of this approach lies in the past. History shows that in the period of Hun Dynasty (206 BC–220 AD), the approach was a brainchild of the Chinese leaders. China was famous for its silk and other goods that were traded along the ancient Silk Route. At that time, China was known as the textile king in the textile industry as the silk industry was already in an advance stage. In the contemporary time, there was Tea Horse Road which was a network of caravan paths winding through the mountains of Sichuan, Yunnan and Tibet in southwest China. In this way, the ancient form of globalisation began through the Silk Route through the trade, commerce and connectivity. Ms. Yasmin also pointed out that at the end of the Cold War, consequent disarray seemed to have been settling and routing towards the Easternization of the World. This rerouting of global attention is towards the Belt and Road Initiative (BRI).

In modern times, when BRI was initiated, it had 4 main principles. These were—

1. Peace and Cooperation
2. Openness and Inclusiveness
3. Mutual Learning
4. Mutual Benefit

Thus, the essence of BRI is learning from the history and culture. People are at the heart of the initiative and China has gone to the past and learned from the realities. Its leaders were determined that the success of such initiative depends on the participation of people. In this day and age, China is connecting Central Asia with Russia and Middle East with Central Asia. The Maritime Silk Route is facilitating the thousands of coastal cities in the region through South China Sea with Indian Ocean. The BRI also opened up economic corridors that are immensely beneficial for the region. For example, the connectivity from along the economic corridor would benefit Chittagong and Kolkata as both are port cities. Ms. Yasmin also stated that BRI is not about starting something new but bringing together the collective consciousness of people who were bound together historically. As we witness the progress taking place in the region, we are witnessing the assertion

of the Asian power in the region while China is on the forefront of Asian rise in the world stage. There is fear concerning the rise of China as world power. Many apprehensions have been cast regarding the 'real' motive of China with BRI project. It is natural that a worldwide project like the BRI would draw the attention of the world. However, the Chinese approach is different that has not evolved from other paradigms from the west. This feeling comes from Cold War mentality. This kind of ideology came from ideological vacuum after the end of the Cold War and China's ascension as a global power. Ms. Yasmin talked about economic benefits that come from the different economic corridors. The impact of these corridors is huge. There are new corridors that will continue to change and reshape Asia in the years to come. Some of the major economic corridors are:

1. The New Eurasia Land Bridge
2. The China-Mongolia-Russia Economic Corridor
3. China-Central Asia-West Asia Economic Corridor
4. China-Indochina Peninsula Economic Corridor
5. China-Pakistan Economic Corridor
6. Bangladesh-China-India-Myanmar Economic Corridor

Ms Yasmin also stated that the international system revolves around the concept of power. On a theoretical point of view, Ms Yasmin stated that international order refers to how states relate to each other at the global level based on their capabilities. The existing world system is based on Westphalian sovereignty where the primacy of 'national interest' determines state actions. Competition between major powers is not exceptional; rather a permanent feature of transition.

She also pointed out that in this day and age, China is putting more emphasis on soft power. At the end of the Cold War, many eminent experts believed that there would be a war between two powers—a war between China and USA. However, the concept of zero sum game is no longer applicable here. China is restructuring the international order without conflict. She also stated that there is a transfer of power happening right before our very eyes. The center of the world power is shifting towards Asia. China has successfully integrated liberal market economy while firmly believing in their political order. Professor Yasmin also said that the Chinese way is cooperation rather conflict that appeals to the countries across the regions to join in the initiative. She also talked about various economic corridors that are providing economic opportunities for thousands of people living under the poverty line. Chinese initiative comes at a time when people across Asia are capitalizing on the geographic as well as demographic advantages. The strategic importance of Asian land and sea routes are providing a valuable lifeline for trade and commerce, considered as one of the main economic lifelines for the world economy in general. Furthermore, she stated that BRI is seen as a potent economic weapon for China to access strategic regions as China continues her economic growth in a very steady pace. In terms of the future of the BRI, a Chinese initiative on the global scale is an indication of China's rise as a global power. However, the rise of China is seen as a global and not a colonial power at world stage.

People-to-People contact Under BRI: Potentials for Cooperation

Mr. Shafqat Munir

Research Fellow, BIPSS & Head, Bangladesh Center for Terrorism Research (BCTR)



Mr. Shafqat Munir emphasized on the people to people contact regarding BRI. He focused on the policy coordination when comes to connectivity between the states. He also spoke of the many countries in Asia lacking much needed infrastructural development. Mr. Munir found that for any global scale project such as the BRI, there will come ashore a variety of criticisms. Although the BRI is perceived as mainly a massive infrastructural project that aims to connect the countries across the region, Mr. Shafqat stated that we cannot simply ignore the importance of policy coordination among the countries. The policies should be coordinated along with different projects. Perhaps, the most valuable resources are not natural resources but the untapped potential of the millions of people eager to achieve their dreams and aspirations. Although connectivity through the land might solely depend on infrastructural development, the people to people connectivity will create a sense of trust, a vital part of collective prosperity in the region. The success of the BRI also lies within the unimpeded trade across the region. The people to people contact can be a valuable tool for reaching out as the interest would grow on the both sides as time goes by. Mr. Munir pointed out that as movement of the people would grow with people traveling across the borders, we also must consider effective financial integration among the countries across the region. In terms of exchange programmes, China should offer more for scholarships and collaborative programmes for students.

A country like Bangladesh, with its huge population, contains a huge portion of youth. Bangladesh would greatly benefit from scholars' exchange programs and can promote the culture of Bangladesh abroad. There are also opportunities in terms of collaborative research initiatives. He also proposed a Silk Road Scholarship that will help the youth across the region to be a part of exchange initiative. This will open up new opportunities for the students as they would have a chance to learn from each other, not only in terms of academics but also have a socio-cultural understanding for the realities of both countries. Under cultural exchanges, there could be intergovernmental agreements on cultural communications between Bangladesh and China. One of the major barriers for the ordinary Bangladeshi citizen is the language when it comes to communicating with the Chinese. The lack of cultural knowledge is also a factor for not improving mutual understanding of each other. For this reason, Mr. Munir proposed 'Silk Road International Arts Festival'—an

initiative that will promote the culture of both China and Bangladesh. The promotion of cultural exhibitions would also serve this purpose. Cultural films and visual media have always been an inspiration for the youth in almost all countries.

Tourism could also be a great element that could bring people closer across the region. There are immense opportunities for cultural tourism. Tourism promotion can be one of many initiatives that could be undertaken by both governmental and non-governmental levels. Any form of sport tourism would likely build a strong bonding among the people. The tourism sector is not being prioritized between the two countries compared to other parts of the world. We can capitalize on the tourism sector by collaborating on the training programs and exchange programs focusing on the development of tour guides, designing tour packages, creating international internships and promoting adventure tourism. Youth are the lifeblood of any nation. Youth camps can facilitate the mutual understanding of cultures. Youth across the borders can be used as agents of change. Youth camps would work well with the help of government and private institutions.

On the think tank level, various initiatives may be taken. The Silk Road Think Tank Network (SILKS) can bring some positive changes. The institution agreed to increase information exchanges to offer constructive advice for policy design and mechanism building for the initiative. The think tank level efforts would facilitate exchanges of information and visits would facilitate and assist government efforts to advance plans. There are 50 famous overseas think tanks that have already carried out studies on the initiative and research results have been published, including 400 Belt and Road books published by Chinese think tanks and more than 100 study reports issued by overseas think tanks. Connectivity, exchanges of views among the think-tanks through conferences, workshops etc. are some of the important means to enhance people to people bonds.

Media plays a vital role in creating awareness among the people. Entertainment industries can represent cultures and can convey a message of peace and harmony. The media can also facilitate the real images and updates when it comes to national and international policy making.

Mr. Munir also stated that BRI should be more than a corridor of infrastructural development. It should be a corridor of thoughts that will unite the people in the region. Mr. Munir pointed out that like the lack of infrastructure that is preventing the countries to reach their full potential, the lack of sustainable development is also hampering the progress and much desired success. The ideas generating by youth towards achieving sustainable growth is essential for projects such as BRI.

Today's world is moving rapidly towards progress through adapting and leveraging on the local knowledge aiming for global markets. The scholars and research institutions can play a role in the process of knowledge accumulation and dissemination. The scholars could act as facilitators who would highlight the importance of shared experiences in the development processes, regardless of the country or continent. He also focused on gender connectivity, the inclusion of women in every aspect of development. BRI connects Asian countries with Europe through connecting the land masses and maritime routes. The region has a huge women population and any form of integration of women in the mainstream development process would immensely benefit the people across the borders in the years to come. The implementation of the women-friendly policies would also bring a multi-generational change in the patriarchal societies. We should also consider the coordinated policies when it comes to gender so a much wider participation can be sought among the women. Thus, true empowerment of women would be achieved.

Mr. Shafqat Munir then went on to focus on the importance of the common information gateway that would serve as a source of information for the BRI member countries. This gateway will serve the acceleration of free flow of information. In the age of connectivity and cooperation, information is a vital component of sustainable development. If the communication systems would become widely available, then the cost of communication would come to a level where common people would be able to gain access with a fraction of cost from how it is at present.

Finally, Mr. Munir focused on the community aspects of BRI. Although the common perception of the people in BRI is the mega project of the century, it is also about the community given that the people are at the heart of this initiative. At the implementation level, it is clear that at the community level, the people must secure benefits from the initiative. An uneven development will send the wrong message to the people and people in general will be skeptical about any project regardless of association or nationality. People's participation is an essential element of success for any project.

Question and Answer Session for Working Session 01

Mr. Abul Hasan Chowdhury

Ex- State Minister, Ministry of Foreign Affairs
Government of the People's Republic of
Bangladesh



Question from one of the participants: I would like to more know about alternative capitalism and the Thucydides trap?

Dr. Lailufar Yasmin replied: The question that was raised was relevant to the theoretical perspective of International Relations. This theory focuses on the balance of power—when the power of a particular state rises, other neighboring states would become fearful of the rise of that particular nation. The great thinker Thucydides came up with this notion. On the other hand, alternative capitalism refers to the unique Chinese system of embracing the liberal market economy while firmly sticking to the communist ideologies and principles that govern the state affairs. In the current system of world power, we have seen that the western powers have colonized many parts of Asia. Even after decolonization, the western powers have a strong influence with their former colonies. However, Chinese policies were remarkably different. China has shown no interest to invade or to intervene in the internal politics of the states in terms of partnership. This is how China offers a very unique perspective when it comes to state to state partnership.

Question from one of the distinguished guest: How would China benefit from the BRI when the connectivity initiative goes through many conflict prone regions? Doesn't it mean that more trust through connectivity would provide more security for China?

Lailufar Yasmin replied: It is true that there are fears about the Chinese intension in the South China Sea and in other parts of Asia. However, most of the fear steams out of the legacy of the Cold War mentality. Before the Cold War, the west had a deep-rooted suspicion about the countries with communist form of governance. A form of mistrust is still dominating the perception of a number of countries. We are living in the world that went beyond the era of zero-sum game where one state will prevail at an expanse of another. China also has taken many initiatives like promoting different exchange programs such as student and scholar exchanges, scholarships and fellowships for many Bangladeshis.

Mr. Shafqat Munir replied: Any kind of project of this magnitude naturally might trigger suspicion among the countries being a part of this initiative lacking infrastructural development. Infrastructural development is a vital part of the pre-requisites of major investment from abroad. Countries lacking this kind of development might not have any alternative means of financing their projects. This is where the initiatives such as BRI would play a vital role when it comes to connectivity and financial integration across the borders.

Question from an Audience: The speaker stated that any radical change of the world order is not always good. Malaysia is now opposing China by siding with the US because of the growing influence of China in the South China Sea. On the political front, China is providing aid to Myanmar while the genocide of the Rohingya population in the Rakhine state is going on. How can China resolve dispute through BRI?

Dr. Lailufar Yasmin replied: In the realm of international relations, there is always a comparison of power. The terms like absolute gain and relative gain are at play here. In the old days, the countries with more power would gain in terms of the absolute gain. Then there are other countries would gain a relative advantage. The essence of BRI is to connect countries across the region, empowering them to be a part of a collective success. The initiative might be Chinese but the relative gain is for the rest of the participating states. There is a win-win situation for all the involving parties here.

Opinion - A former Ambassador of Bangladesh to Japan pointed out some of the clarifications he found fit regarding implementing the BRI. He stated that China is putting economics before politics. Before pushing the BRI agenda in South Asia, China should be aware of the existing animosity among South Asian countries. The strain in the relationship between India and Pakistan is hampering a lot of initiatives.

Question from an academician –China is more likely to be a riddle to the outsiders. The country is having a territorial dispute with its neighbors. Given the tension in the South China Sea and with other countries in the region, how can the BRI initiative be helpful to the other countries?

Dr. Lailufar Yasmin replied - The initiative will be beneficial for the region as a whole. A remarkable amount of investment is going on in the region that would benefit the restructuring process and finance the much-needed construction projects. She also highlighted the Bangladesh-China relationship, which has been beneficial for both of the countries for many years. Bangladesh can gain relative advantages while being in line with BRI projects, one of the mega projects of this century.

China is providing development assistance to the countries falling under the BRI. She further stated that the real intention of any country providing investment of this magnitude must make their intentions clear. In this current geopolitical scenario, many neighboring countries are not being able to find out the true intention of this Asian superpower.

Question from one of the academia: How can a mega project such as the BRI be more acceptable to the partnering countries?

Dr. Lailufar Yasmin's Answer: A great deal of mistrust is there and this is the legacy of the Cold War that divided the world into two different blocs. The Cold War also represented an era of suspicion and a great deal of mistrust. However, we are living in a different time where states must compete as well as cooperate with each other. China's rise to the world stage is different from the west. One of the distinguishing factors that separate Chinese development paradigm from the rest is how it is partnering with many countries without intervening in their political process. This new form of cooperation strategy of China does not rely on the intervention in the local politics. In recent years, China offered many exchange programs ranging from student to scholar exchanges from many prestigious institutions. As more exchange of scholars and improved people to people collaborations will take place, a great deal of mistrust will most likely be replaced with trust.

Question from an audience: Will BRI act as a substitute for other initiatives in Asia?

Mr. Shafqat replied- Any mega project like the BRI will contain some form of skepticism. However, it should not be a barrier for cooperation. Most of the countries in BRI are experiencing a lack of investment in terms of infrastructural investment. BRI is providing the valuable funding option for these countries. It is clear that without the development of infrastructure, Direct Foreign Investment (FDI) would not flow in these countries. When it comes to understanding BRI, we should remember that BRI cannot solve every problem of every kind and the initiative is no substitute for other initiatives taking place in the region.

Concluding Remarks by Chair-

The Chair of this session, Brig Gen Mohammad Shahedul Anam Khan, concluded the session after the presentation of the two speakers. The chair also commented on the analysis presented on the topics discussed thoroughly. He thanked the speakers for their erudite analysis on BRI from different perspectives.



Working Session 02

Chair- Barrister Manzoor Hasan, OBE

Executive Director, Centre for Peace and Justice, BRAC University

Opening Remarks by Chair:

Firstly, the chair introduced Ms. Divya Hundlani who had joined LKI in 2017 as a Research Associate. Divya completed a Master of Public Policy at the Lee Kuan Yew School of Public Policy at the National University of Singapore in 2014. She obtained her bachelor's degree, majoring in Economics, from the University of Miami, Florida, USA. Her master's thesis was on the role of public-private partnerships in the reconstruction of post-disaster environments.

Prior to coming to LKI, Divya was a Research Associate at the Earth Observatory of Singapore, looking at economic livelihoods and housing reconstruction in post-disaster environments. Divya has conducted fieldwork for primary data collection across South-East Asia including Singapore, Thailand, and Indonesia.

Her research interests include microeconomic livelihoods, Sri Lanka's environmental policy, and the concept of sustainability in economic development.

The chair then introduced Ambassador Madhu Raman Acharya. Ambassador Madhu Raman Acharya is a former career diplomat of Nepal. He has also spent some time as an international civil servant in the United Nations. During his career in Nepal's Foreign Service, Ambassador Acharya has served as Nepal's Foreign Secretary (2002-05), Ambassador to Bangladesh (1998-2001) and Permanent Representative of Nepal to the United Nations (2005-2009). He joined the Nepalese Foreign Service as Joint Secretary in the Ministry of Foreign Affairs in 1996. In 1997-1998, he was Deputy Chief of Mission in New Delhi, India. Acharya also served as Director at the United Nations Assistance Mission to Iraq (2010 -2011). During the 1990s, he also served in United Nations missions in Cambodia, South Africa and Liberia.

He also served as the Executive Director of the South Asia Center for Policy Studies (SACEPS) in 2012-13. In 2017, Ambassador Acharya also served as a Member of the Nepal's government's federal administrative restructuring committee.

In 1982-83, Mr. Acharya served as Assistant Lecturer at his *alma mater*—Tribhuvan University in Kathmandu, from where he holds a master's Degree each in science and public administration and graduate diploma in law. Ambassador Acharya is the author of a several books, including *Business of Bureaucracy* (2014) and *Nepal: Culture Shift!* (2002).

Sustainability Issues around BRI



Ms. Divya Hundlani

Research Fellow, Lakshman Kadirgamar Institute, Colombo, Sri Lanka

Divya Hundlani grazed across the aspects of China's Belt and Road Initiative, which spans over 60 countries, expected to play a leading role in shaping the international practice of sustainable and 'green' development, particularly in emerging economies like Sri Lanka. She started her speech by putting her focus on the role of Sri Lanka in BRI. She also put her on focus on the environmental policies and their effect on the BRI. She also wanted to look at two of the major investments, Colombo international container terminal and the Hambantota port. They were two of China's biggest investments in Sri Lanka. She wanted to look at these

topics as case studies regarding what it means to be green in terms of development. Next, she touched the issue that BRI has the potential to contribute in global pollution, carbon emissions and climate change. If BRI projects are done right green growth can really be promoted and really benefit the millions of people invested in it. In her words, as China positions itself as a global economic leader through major investments in BRI countries, it is also using these investments to promote itself as a global leader on key environmental issues like sustainable, 'green' economic growth and climate change. President Xi's support of the Paris Agreement; the prioritization of "green and low-carbon infrastructure construction" in the 2015 plan 'China's Policies and Actions on Climate Change'; and the detailed social and environmental frameworks to guide investment decisions for the BRI investment institution, the Asian Infrastructure Investment Bank (AIIB), all signal China's commitment to implementing a sustainable and green BRI. She mentioned how she seeks to find opportunities and challenges Sri Lanka may face in implementing sustainable, green BRI projects. She brought on examples from Chinese investments in Sri Lanka to assess the opportunities for sustainable development which could be gained through enhanced foreign direct investment inflows, innovative technology transfers, and the development of key infrastructure. In her speech, she also mentioned several environmental risks associated with BRI projects in Sri Lanka, such as increasing carbon and greenhouse gas emissions, ecosystem degradation, and a move away from renewable energy sources. Her focus was found in Sri Lanka's vulnerability to these risks, stemming from a lack of clear standards and technical know-how, as well as limited financial resources. She finally considered how Sri Lanka should position itself to protect sustainable development and promote green economic growth, by formulating and strengthening local environmental standards, improving access to information, and facilitating risk reduction processes.

In her flow, she mentioned the role of AIIB regarding their investments in the environment projects. In the recent years China has invested a lot in renewable energy and also in coal power projects. The investments have continued over to BRI countries such as Indonesia, Vietnam, Mongolia, Sri Lanka etc. China has been promoting sustainable development and green development. Due to the domestic measures taken by China regarding green development it is easier for them to supply green technologies to BRI states.

Now putting focus on the role of Sri Lanka, she told that the geographic location of Sri Lanka makes it a key focal point in global shipping routes and is located close to the east-west shipping route through which sixty thousand ships pass annually. Two-thirds of the world's oil supply passes through this route. Sri Lanka's position has given it an opportunity to become the hub of South Asia. Sri Lanka is quite dependent on coal for its electricity generation and the BRI countries overall account for 62% of global coal consumption which she finds quite significant. She also mentioned on the impacts on the ecosystem and marine life. Eco systems have been damaged from seas port constructions particularly in Hambantota port which was during the construction phase. She then spoke of the risks that include the lack of legislation, lack of regulation and the lack of monitoring mechanisms.

She looked on the Chinese investment in Sri Lanka which started in 2005 in the form of development assistance and infrastructure investment. Two of China's major investments in Sri Lanka were both were operated by China Merchants port. Regarding the CITC she mentioned that it was in operation since 2015 being the only deep-water terminal in Sri Lanka with two million TEUs throughout 2016 operating at 80% capacity. Being the first BRI project in Sri Lanka she believes that the objectives of BRI in this investment are very significant, through innovative green technology transfers, use of renewable energy sources and anti-emission and anti-pollution policies. Regarding the Hambantota port she talked about the transfers to China Merchants ports in December 2017 worth USD 1.12 billion on a 99-year lease. After six months of ownership Hambantota received 106,135 vehicles and 153 ships in 2018 reflecting a YOY growth of 85%

and 17%, respectively. The BRI has taken initiatives to preserve the eco-system during the construction of the terminals and this has been seen very favorably in the country. Specifically mentioning the Hambantota case she put focus on understanding the differences in the construction and operational phases. The construction phase was handled by the Sri Lankan government albeit with the assistance from China using construction, but under the leadership of the Sri Lankan authority. In the construction phase there were many occurrences which were harmful to the surroundings such as the destruction of the Karagan Lewaya lagoon, damage to the coastlines, eco systems etc. There was no control of sulphur content in fuels by Sri Lankan national government whereas the CM ports were moving towards the global rule to limit sulphur emissions for maritime fuels.

Regarding the challenges for sustainable green BRI in Sri Lanka she mentioned that no overarching guidelines or standards for BRI have been established internationally. Requirements are based on individual institutions; no cohesive implementations of international norms and standards are seen. She also mentioned that national standards on pollution, environmental and ecological degradation are not sufficient. She also talked about gaps in technology, skills and financing in Sri Lanka. There have been adhoc investments for green technology based on individual or operator's decisions. But she thinks that there is a noticeable lack of incentives to pursue green growth.

She also recommended some steps which the next measures for a sustainable green BRI in Sri Lanka could be. She mentioned that enhanced FDI inflows can lead to innovative technology transfers. To limit the investment to sustainable infrastructure which complies with global environmental standards and regulations was recommended by her. Furthermore, she said about stakeholder involvements to enhance transparency and monitoring mechanisms.

In the conclusion she said that the green factor within the BRI is continuously evolving. In it project objectives financial capacity and operator standards will determine the level of commitment to environmental policies. She admitted that BRI host countries like Sri Lanka lack environmental standards given that national legislation is weak and environmental policies are implemented on individual investor preferences and priorities. She thinks that setting overarching BRI environmental standards would facilitate reaching green objectives in the case China and BRI institutions must set environmental standards for all BRI projects. International standards can be used as benchmark policies, financial incentive for investment in green technologies, knowledge sharing, and technical expertise should be prioritized. With these visions, she ended her address to the matter.

The Belt and Road Initiative: The Future of Globalization

Madhu Raman Acharya

Former Foreign Secretary, Nepal

In the initiation of his speech, Madhu Raman Acharya linked BRI to the spectrum of globalization and found the Belt and Road Initiative to be undoubtedly a global project. In a summit meeting of the Forum on China-Africa Cooperation (FOCAC) held in Beijing in September 2018, China had proposed to extend the BRI projects investing over \$ 60 billion in Africa. He believes that the mission of the BRI is for advancing "global development" through economic integration, connectivity and investment in infrastructure projects.

The Chinese focus on “economic” globalization emanates from their worldview in which neoliberal globalization is laden with political and cultural elements and which has created uneven results, inequality and divides in the world. To correct those mistakes of neoliberal globalization, China visions a globalization that is “for everyone, not just a few”. In the BRI summit held in Beijing in May 2014, Xi Jinping has said that “BRI is a pathway for global development, global governance and economic globalization”. In that sense, the BRI has been referred to as “Globalization 2.0”, with an alternative vision for globalization in which there is supposed to be China’s benign role in sharing the fruits of its economic development and surplus capability with the BRI countries.

Mr. Acharya also spoke of five pillars of the BRI (policy coordination; connectivity; trade; financial integration; and people-to-people contacts) which he believes seek to promote globalization. He also believes that even without the BRI, China is already a major driver of globalization. Since China’s entry into the WTO in 2001, the globalization of the Chinese manufacturing and trading companies have made China a global player in the world. In 2017, China’s trade with BRI countries has reached a huge \$ 1.44 trillion, of which its import is \$ 666 billion and export of \$ 774 billion. So far, China has invested over \$ 60 billion in the BRI countries under Foreign Direct Investment (FDI). China ranks 7th position in the Global Interconnectedness Index. All of that speaks for a huge role of China in globalization. The BRI is supposed to further accentuate and complement the process of globalization, albeit in a different fashion.

Mr. Acharya further thinks that Globalization and nationalism may return in cycles and in varying degrees, just as periods of economic boom and recession occur cyclically. One of the central challenges that undermine globalization is the rising inequality among and within nations. If the trend of rich-poor uneven distribution continues, the global inequality will further exacerbate the pervasive social, economic and political challenges existing in the world. The thrust of globalization may shift from the neoliberal approach to a more social and environmental approach. The BRI can become an alternative model for globalization, in which there is room for more inclusion and sharing of benefits to everyone, as China likes to pledge. BRI can also serve as a check on backlash against globalization.

Next, Mr. Acharya touched the topic of global factors affecting the success of BRI in which he stated that the increasing environment of uncertainty in the cooperative international environment at the global level, including the increasing disarray in multilateralism, undermining of the WTO trade rules and rising tide of protectionism and even escalating tension towards the evolution of a full scale “trade war” may greatly undermine the success of the BRI. He finds that there may be fierce competition between the supporters of globalization that China is hoping to lead and those opposed to it, especially the United States which has seen some retreat from its earlier posture for promoting globalization. Mentioning the superpower rivalry as China keeps rising as a global power, Mr. Acharya thinks that the world may enter into what has been called as the Thucydides Trap, in which conflict becomes inevitable as a new power challenges the existing big power and eventually seeks to replace that power’s supremacy.

In the context of inherent challenges of BRI, Mr. Acharya thinks that the so-called “BRI Bubble” may lose its momentum after some time as the continued and sustained interest and enthusiasm both in China and the participating countries may not be there forever. There are inherent contradictions between China’s economic nationalism, which seeks the “rejuvenation of the Chinese nation”, versus its espousing of economic globalization to the benefit of everybody. The explicit and implicit strategic and geopolitical objectives-real as well as perceived- may also undermine the transformative opportunity that BRI brings for economic integration, connectivity, trade and investment and infrastructure development in the

participating countries. In the countries, the BRI may encounter problems of political backlash, as the successive governments may cancel “prestige projects” started by the previous governments. There is also a concern over the increasing Chinese footprint in the form of control of assets that China has taken to offset the inability to pay the debt associated with the BRI projects. The famous case of Hambantota Port in Sri Lanka has been cited as the classic case of “debt trap”. China and the participating countries in the BRI must ensure that the hype of the “debt trap” and “predatory investment” is not exaggerated while the genuine issues of debt sustainability must be addressed.

In terms of its opportunities, Mr. Acharya mentioned that according to the IMF, BRI will “help meet infrastructure gaps, connect countries supply and value chain, and increase in trade and employment and boosting economic growth”. The BRI will help integrate and open up markets in the participating countries through better connectivity, increased trade and foreign direct investment and economic integration. The BRI is focused on big investment in infrastructure, connectivity, trade and investment. It is supposed to be a big thrust in South-South Cooperation in the sense that most of participating countries come from the Global South.

When speaking of the elements for the success in BRI, he spoke of the element of “lost in translation” the BRI in the sense that the “Belt” refers to road and “Road” refers to maritime belt. He suggests that for the success of the BRI, China and the participating countries must remain continuously engaged. China invited the representatives of the participating countries in a seminar in Beijing May 2014. That process should be continued. Both China and the participating countries should be careful in selecting the projects, especially avoiding the investment in “vanity projects” or “prestige projects” to appease the political leaders in the respective countries. China should do everything to avoid the apprehension of “debt trap” in the participating countries.

China should distinguish the criticisms, “Sinophobia” and anti-BRI “propaganda” from the genuine concerns in the enterprise and seek to address them one by one. To avoid the trade deficit and gaps between China and the participating countries, China should also help the participating countries providing better trade concessions to them to bring down trade deficit due to surge in imports for big construction under the BRI projects. In his final suggestions, he said that the participating countries should make objective assessment of the risks and opportunities available under the BRI projects and ensure transparency in the deals with China.

Bringing in the matter of South Asia and BRI, Mr Acharya proceeded to speak of China being extensively involved in construction of infrastructure projects in most of the South Asian countries. He believes that these countries stand to gain a lot from the China’s BRI. They should continuously remain engaged with China, bilaterally or through regional cooperation blocs, so that China’s overtures can be available to their benefit. He also touched the points that in South Asia, the environment of strategic competition between China and India may influence the success of the BRI projects, which requires a conducive environment of strategic trust and confidence. For the BRI to succeed, there must be strategic trust and confidence between important powers in the region, as the BRI projects cannot be executed well in an environment of geopolitical tension and strategic competition. The South Asian countries should not aim to counter India using the BRI, something that complicates the already tense strategic competition in the region between the two countries. If China and India can work together in the BRICS and AIIB, there is no reason as to why India’s concerns on the BRI cannot be addressed.

In his conclusions, Mr. Acharya mentioned that the success of the BRI will depend upon an environment of strategic trust between China and participating countries. Venture of this big nature cannot succeed as a one-way street. Rather it should have continuous engagement between China and all the participating countries. It should focus on connecting the dots establishing the missing links between China and South Asia as well as that between South Asia and other regions, through connections in road network, sea connectivity, trans-regional pipelines and transmission lines.

Question and Answer Session for Working Session 02

Ms JIANG Maoxia, Associate Research Fellow, Institute of South Asian Studies, Yunnan Academy of Social Sciences (YASS)



Question from one of the participants: What does it mean to be green in the context of Sri Lanka?

Divya Hundlani replied: Climate change was not on any agenda in the Sri Lankan case when looking at the BRI investments. There were no comprehensive initiatives in the public domain. I believe climate change wasn't in the agenda which is problematic. In the Sri Lankan case it was to be low carbon, anti-pollution or to reduce pollution, use renewable energy sources in day to day port operations. Sustainable land use had been spoken about quite largely.

Question from one of the participants: What are your thoughts on the national involvement of Sri Lanka and the involvement of China regarding the BRI?

Divya Hundlani replied: It is absolutely up to the host country to have domestic policies that would benefit its own country. It is not up to China to come in and ensure that despite trying to be global leader some level of international standards should be spoken about especially if BRI projects are spanning the world over. In my opinion a global economic player should also be an environmental player. So some degree of ownership is important.

Question from one of the participants of the conference: How do you address the big fear while making decisions regarding the BRI?

Madhu Raman Acharya replied: I cite Bangladesh's diplomacy with China and India in Nepal given that Bangladesh is able to maintain good relationships on both ends. We must always make decisions on our national interests. It is important to function through national interest in that sense that maintenance of friendly relations is a necessity in neighboring countries. So, the transparency should be maintained in this case.

Question from one of the participants: What are the expectations of China from BRI countries?

Madhu Raman Acharya replied: We should not raise expectations of BRI to be only a concern of China alone because in the relation of globalization many countries are involved. It is a collective measure. To make it happen China is expected to be transparent about their causes and multilateral exercises.

Question from one of the BIPSS researchers– In today's world, one of the important aspects of global politics is regionalization. In the context of South Asia, it seems that the only functional body is SAARC. As India is not on board regarding BRI, so how does this region collectively respond to this mega project? Unlike ASEAN, SAARC does not function on policies like non-intervention. Hence, will it affect the intergovernmental relations among SAARC member states?

Madhu Raman Acharya replied– India, a next-door neighbor and also a South Asian economic power, being not on board is definitely a back draw. As all other neighbors have already joined BRI and India, being the only South Asian country (or only member of SAARC), not joining, won't be good idea. Again, ultimately India has to reconsider its strategic plans. Hence, when both the countries overcome their ego, a room for cooperation will be created.

Remark by one of the Academicians – As seen in a private channel earlier, Bangladesh imported a couple of big vehicles, specifically firefighting trucks, which are equipped with special brooms to clean the city area. Unfortunately, the vehicles became nonfunctional within six months. Similarly, in context of BRI, being a friend and developing country, Bangladesh must examine and assess every aspect regarding BRI so it provides a long-time benefit to Bangladesh and the others in the region. Also, Chinese companies and government must ensure equality with proper transparency.

Concluding Remarks by the Chair-

As Mr. Acharya mentioned, the Chinese are here, it is a fact that the paradigm shift has already happened. It is to be seen how the paradigm shift can be utilized at maximum. In the session, the word *geo-politics* has been mentioned a couple of times for which it is important to understand the aspects related to geo-politics as it is of high importance. Also, it is important to have internal clarity, so being robust externally can be an option. As many of the countries do not have political consensus, a failure to deal with partners is often visible. At the end of day, in international relations and politics, a relation of contact and communication should be maintained among neighbor states. Thanking the speakers and the participants, the Chair concluded the session hereby.



Working Session 03

Chair- Dr. Fahmida Khatun

Executive Director, Center for Policy Dialogue (CPD)

Opening Remarks by Chair:

The chair started the session by giving a short introduction on the two speakers who were to present their papers.

The first speaker introduced Prof. Dr. Zhang Jiadong, Director of *Center for South Asia Studies*, Dean of *Institute of BRI Strategy and International Security*, Fudan University. From 2001 through 2004, Dr. Zhang Jiadong was studying at the *School of International Relations and Public Affairs of Fudan University* and got a PhD in International Relations. In 2004, he joined *The Center for American Studies*, Fudan University. His studying and teaching area is very broad, covering anti-terrorism, non-traditional security issues, regional security, South Asian issues, and China-American relations. Dr. Zhang Jiadong was a former diplomat in China's Embassy in India (2013-2015). He is the guest professor at *John Naisbitt University, Serbia*.

Mr. Sholto Byrnes is a commentator and analyst with over 20 years of experience in journalism both at a national and international level. His past roles include being Chief Interviewer and Columnist at *the Independent*, Senior Editor at *the New Statesman*, and Editor of *Qatar Foundation's Quarterly International Magazine*.

He has reported from a variety of countries including the US, Malaysia and Indonesia. His work has appeared in almost every major UK publication, as well as in newspapers around the world, from the *Jakarta Globe*

and *South China Morning Post*, to *The National*, *Abu Dhabi*; for which he writes a weekly International Affairs column. He has also provided television and radio commentary for *BBC* and *Al Jazeera*.

He completed his BA and MA in Politics, Philosophy and Economics at Balliol College, Oxford University, and has been a Fellow of the Royal Society of Arts since 2009.

His interests include nation-building in Malaysia, establishing and emerging democracies in Muslim-majority countries, and Southeast Asian international relations.

After the short introduction of the speakers, the chair requested the speakers to deliver their speeches.

BRI & Its Strategic Significance

Prof. Dr. ZHANG JIADONG

Professor of International Relations, Director of Center for South Asia Studies,
Dean of BRI Institute of Strategy, Fudan University, China

Bangladesh has a large population and is an important neighbor to China. BRI does not have a strategic significance but an economical one, but we have an understanding of both the strategies. Firstly, BRI is not a Chinese strategy, and in Chinese documents, there are no strategies but initiatives. It is not a new geopolitical or economical strategy but it does have some strategic significance. Some infrastructure projects between Bangladesh and China have started before BRI. Even during the Cold War, China has collaborated in various cooperation initiatives with many African and Asian countries. BRI is not a new wave of globalization, it's just an initiative. This initiative is very different from other paradigm or strategy. Finally, BRI is a process—when the initiative was first announced it was called 'One Belt One Road', later changed to 'Belt and Road Initiatives'. Many countries do not like BRI including many regional powers; the cause is not an economic one, rather more of a strategic one. The Chinese would also need to work on BRI further as it completely depends on China's relationship with other countries, including the host countries, and regional powers. Some people say BRI is the new form of Chinese colonization, however, that is not true. There are worries in China, whether or not the loans that they are lending will be paid back.

BRI is not China's new geopolitical or economic strategy to face off an American pivot to Asia. Many parts of BRI have been implemented for years even before its inception. BRI was not a vision for a new wave of globalization; rather the rise of a new form of populism and protectionism. As a strategy and a vision, BRI is still not defined as strategy. It is a process that has been transformed from an initiative now solely focusing on infrastructure from a comprehensive one (industry, tech, cultural and environmental components); shifting its focus from the historic Silk Road region to the entire globe. It shifted its focus from economic development to constructing a community of "shared destiny for all mankind". BRI does have enough strategic significance at a national, regional, or global level. On a national level, BRI is helping China to upgrade its economic structure, to develop the western part of its territory, and to ensure its own energy security. On a regional level, BRI helps countries and regions to strengthen regional economic integration, to narrow gaps between different countries, and finally to help relevant countries to develop their macro economy. On a global level, BRI plays an important role in promoting global governance, preventing de-

globalisation, and building a multi-polarizing global currency and financial structure. In short, BRI is helping the world be more stable, more equal, more peaceful and prosperous.

1. Strategic Significance on a National Level

BRI mainly has two issues—the first is addressing China’s Western Development Program and the second is China’s cooperation with lots of countries in Asia and Africa in terms of infrastructural development. During the initial stage, the Chinese government used Western Development Program and other relevant issues as leverage to get domestic support.

1.1 The Development and Opening Up of the Western Region of China

The “Belt and Road Initiative” was helpful in promoting the development and opening up the western region of China. The inner and western part of China used to be the core part of China in terms of economics and politics. However, nowadays, due to the advancement of maritime transportation and prosperity of marine trade route, the inner and the western regions of China is comparatively lacking behind. The sum of their GDP of the five provinces in Northwest China (Shanxi, Gansu, Qinghai, Ningxia, Xinjiang) was 356.8bn Yuan in 2013, which was only half of Guangdong province’s. The sum of their import and export was 62.5bn US dollars, which was only 5.7 percent of Guangdong provinces. Another reason for them to lack behind is the poor transportation and unawareness of local government. The BRI has changed the mindset of many people; for example, officials in Ruili, Yunnan Province transformed from being a part of inland into a frontier towards the world which has modernized their mindset greatly. They have become more active in economic development rather than just waiting for help from the central government and other developed regions.

1.2 Energy Security

China’s oil production is not up to half of its self-demand even whilst being the biggest energy importer in the world. Hence energy cooperation between China and the countries along the Belt and Road is very important to them.

The source of China’s energy import focuses on the Middle East and Africa. The oil route from the Middle East and Africa to China has to be transported by sea via the Indian Ocean-Malacca Strait-South China Sea. The three big oil and gas pipelines of China-Russia, China-Myanmar, and China-Central Asia will greatly improve China’s oil supply security. The “Belt and Road Initiative” will promote the diversification of energy import channels for China.

1.3. Economic Transformation and Upgrading

According to statistics, China’s overseas investment was over 1360bn USD by the end of 2016 and has been a net exporter of capital. China’s overseas investment was ranked 25th in the world in 2002 6th in the world in 2016. Through more active overseas investment along the BRI, China will promote trade links with more prosperous countries along BR. It will help transform and upgrade China’s industry.

2. Regional level

2.1. Strengthen Regional Connectivity

The “Belt and Road Initiative” will improve the connectivity of national infrastructure construction plans, push forward the construction of international trunk passageways, build a new Eurasian Land Bridge and

develop China-Mongolia-Russia, China-Central Asia-West Asia and China-Indochina Peninsula economic corridors.

Especially the China-Pakistan Economic Corridor, starting from Kashgar, Xinjiang of China, reaching the Indian Ocean via Gwadar Port of Pakistan, which is an important link between China and South Asia via land.

At sea, the Initiative focuses on jointly building smooth, secure and efficient transport routes connecting major sea ports along the South China Sea, Indian Ocean, Europe and South Pacific Ocean.

China also supports national and international land transportation for many countries, all of which do not necessarily end towards China. In Africa, China is supporting the building of rail road and truck roads spanning thousands of kilometers.

2.2 To promote regional integration

China is promoting free trade talks. They are also pushing forward custom cooperation among regional countries on border check facilities and visa facilitation. China has reached visa exempt agreements with 46 Belt and Road countries and 19 countries other countries. The “soft integration” along BR is accelerating.

Production capacity cooperation is a major area of the Belt and Road Initiative. Women’s shoes made by China’s Huajian Group accounted for over 50% of Ethiopia’s shoe export and drove the growth of industries such as fur processing, transportation, logistics and farming, turning “Made in China” into “Made in Africa”. This investment is promoting economic integration not just between China and Ethiopia, but also between Ethiopia and the rest of world.

3. Global level

The BRI was not a global initiative at the beginning. But it evolved itself into something bigger. So, it is hard to say how large the BRI involvement truly is. The BRI has played an important role in different regions and arenas in various ways.

3.1 Prevent de-globalization

The current trend against globalization and the rise of trade protectionism have increased uncertainties in the world’s economic growth. If the trend continues, it will have a serious impact on global supply chains and countries in the region as well as on the rest of the world. The BRI is of great significance and will play an important role in promoting regional economic integration and enhancing the seamless connectivity of regional networks.

3.2 Multi-polarizing global currency and financial structure

US Dollar centric is the core of the current international financial system. It provides various leverages for the US over other countries. The “Belt and Road Initiative” is helpful for removing financial barriers between China and the countries along the “Belt and Road”. This initiative is also helpful for accelerating the process of RMB internationalisation as well as the enhancement of the international status of currencies of relevant countries in the future; creating a more equitable world monetary and financial system.

3.3 Change traditional geo-economic projection

Since the colonial era, world politics and economy have been dominated by the West. After the establishment

of sovereign states, the political attachment ended, but the economic attachment remained. The BRI will help in establishing a balanced and symmetrical world economic system and improve the economic discourse power of relevant countries and regions to better safeguard their own interests.

Many countries have found their new status and role in the world; Hungary, a country regarded as periphery for a long time due to its separation from seas, found that the BRI presents an opportunity to play the role at the world stage.

Conclusion

China believes that a more open world in terms of economy, trade and culture with deeper economic interdependence, will be more peaceful, secure and stable. This is China's concept of development security, and it is also China's strategic plan for the world.

Although BRI was first proposed and promoted by China, it does not belong to China alone, nor can they necessarily establish it. The success or failure of the BRI depends on the willingness and ability of China and the host countries. The strategic significance of the BRI also depends ultimately on the state of cooperation between China and the countries concerned. No matter the achievement the BRI receives, it will be an important event in all of human history because it is the first development cooperation initiative proposed by a developing country and taking place in modern history. This initiative itself is of strategic importance.

BRI and its relevance to South and South East Asia

Mr. Sholto Thomas Byrnes

Senior Fellow, ISIS Malaysia

What's happening with BRI projects in Malaysia and other countries, because first of all we had heard that it is going to be canceled, and then possibly going to be delayed and negotiated as it already has with the high-speed rail in Singapore, which at this moment is counted a part of one of the BRI corridors that is still going ahead; the suspicion is that it will still go ahead as it would be too costly for the Malaysian Government to cancel. The current government is actually not angry with China as the former government is to be blamed regarding that. Quite a lot of people in Malaysia were suspicious about the ECRL rail project; this can be used as an example of a big ticket project, as response to the question how it is going to link the west coast of Malaysia all the way to the poorer east coast peninsula of Malaysia. It could really make a huge difference to development in those states, so why the suspicion? He then replied people are afraid of who will make the profit. Mr. Sholto said that coming from a European Background he would never raise that as an issue, railway is a public good they have a multiplier effect, we believe in subsidizing in common good.

There are widespread worries and fears about BRI, such as debt traps which have been discussed already. Mr Sholto thinks this is one of the reasons why the new Malaysian prime minister accused the former prime minister of selling sovereignty to China. It was a very widespread perception throughout South East Asia. The Myanmar government worried about its own deep-water port project, one of the economic advisors said, the taken price of 7 billion USD is absurd. 70% of it will be owned by China's city group and would run

in 70 years. He would advise caution against the narrative that China wants the BRI to exhort economic and geo strategic power to the countries signed up to it. BRI stuck with Mahathir's 'New version of Colonialism', which was extraordinary when he is sharing the stage in Beijing with Premier Li. Chinese presence in Cambodia has led to some people accusing concerns for the government. It costs 6.7 billion dollars, which is a quarter of the country's GDP; how can they afford it? Even CPEC people have asked if Pakistan could afford it as Guarder port has been handed over to Chinese company for 40 years, which is a long time.

There is an issue regarding Chinese firms and bringing Chinese equipments. According to the South China Morning posts recently, of all the contractors which participate in BRI projects, 89% of whom are Chinese companies, 7.4% are local companies and 3.4% are foreign companies. These are not great figures; people question what the project is doing for local communities and what is to remember from here is that it is not an aid, a gift or a conventional FDI, they can just castigate and load.

Now, there are other concerns about technical standards which are assumed to be set by China about environmental standards. A report by the wildlife center, Myanmar said, BRI projects put half of the country's population at risk.

We have to address those who are against BRI and also look into the fact as to why they are against BRI. Some of the opposition is not against BRI but the oppositional fear of China itself.

Western European countries and America do not accept the model of China's government as they are very critical about human rights, lack of democracy etc. Western liberal democracy thinks they are the only legitimate form of government. Any country that does not meet that standard will be tantalized. There are so many people in the west and in America who talk about the accountability in the context of China, because they essentially view China as being mealy and don't want to participate as they are worried about Chinese investments in strategic parts of their own economies.

Mr. Byrnes said that in Southeast Asia the ASEAN nations have different forms of governments and they get criticism based on this. He stated that ASEAN countries believe in keeping BRI separate from other issues of China, as it cannot help but influence their overall attitude towards China. The South China Sea is a big deal to ASEAN countries, and the closer you get to China, the more worried some of these ASEAN countries becomes. Some officials are frankly afraid of what they can or cannot do on South China Sea as countries are quite silent about it such as Malaysia. The reason Malaysia is less concerned about this is because Malaysia and China are becoming closer given that Chinese vessels are sailing off the coast of Saran on the island of Bonnie interfering with Malaysian fishermen.

Various countries while talking about BRI and Chinese mega projects say that they do not have to agree if China asked them to participate; they can politely decline. Similarly, it is necessary to partner countries to assess if 50% or 70% of the workforce will be local and if governments are asking for this.

The steps that China can take to correct some negative perceptions, is by helping with the issue of transparency, reporting on environmental aspects of Green Belt and Road; the government has to communicate about the success of these projects such as the Sri Lankan port projects.

BRI is a big part of the Asian century, but everybody has to get it right. That means China, every BRI government, and everyone who believes in it must get out there and spread the word.



Question and Answer Session for Working Session 03

Question from one of the speakers of the conference: How will China go forward with some of the pressing concerns and fears that this is China's geopolitical ambition? How will you address the concerns including Sri Lanka and other countries' debt trap and other issues that have come up and are not properly being addressed? BRI will always have a shadow of skepticism around it, how would you deal with that?

Dr. Jiadong Replied: Concerns are natural; different countries have different concerns, when China tries to plan something, the concerns are more which is interesting. If one believes someone, there is no need to say much and if they do not, someone else would try to convince and by saying many things and that might not work either. South Asian countries that have a good relationship with China and do not need to talk too much about the prospects of BRI. But with India, if China talks too much then it will not work either. As each country is in a different stance, the position of it defines the argument as well at times.

Mr. Sholto replied: There are two things about where China is in the world today; one thing is that most of the countries are in denial about the rise of China. There are people who think about how China can be stopped or contained.

Second, is that there is nothing to hide in what is already happening. We can evaluate it in a historical context and say that, it is not China's rise but its return. People need to accept the truth that China's rise is completely justified.

Question from one of the participants of the conference – To Dr. Jiadong, some of the old projects are now converted to BRI projects; for example, BCIM which was already accepted by the countries and was going without controversies, but being put along the BRI, it is causing some tensions. How can these be solved?

Dr. Jiadong replied: China should do something about this issue. Till today, BRI still is not very successful, frankly, but it is evolving, and that increases the people's confusion further which is natural as different people have different definitions of BRI.

Question from one of the participants of the conference: Is the BRI project being criticized for having a political way or is there a lapse in the BRI projects?

Mr. Sholto replied: Following the ambassador's point, he said that while some did agree to the BRI projects, there were some skeptical countries who failed to stand with the arguments of sharing. For achieving a positive impact, there is a requirement to explain the prospects and challenges related to BRI.

Question from one of the chairs of the conference: Do you think that China can do more on its public relations to counter the negative coverage related to BRI?

Dr. Jiadong replied: Countries vary in policies and positions also define these arguments sometimes. So, of course, China should do something and honestly, BRI is to this day taken with skeptical eyes. And it's natural since different people have different definitions for BRI. Media tends to focus on the bad more than the good and not just in the case of BRI.

Question from one of the speaker of the conference: Placed a question to Mr. Sholto, Bangladesh needs a deep-sea port and Bangladesh and China were planning on signing a deal but it fell off in the last minute, what you think about this?

Mr. Sholto replied: To venture the facts about Bangladesh and the deep-sea port, national interest analysis is needed, and study is needed before infrastructure projects are actually invested in.

Question from one of the participants of the conference: China is the initiator and facilitator but who is going to coordinate the initiative? What is the thought of China to coordinate and manage of the initiative?

Mr. Sholto replied: Chinese organizations are most likely to be the coordinators of the project.

Question from one of the participants of the conference: 'BRI is a well thought out content and BRI is a part of Chinese global politics', how would you respond to that?

Mr. Sholto replied: We can't truly know the answer about what the intentions are. In terms of arms race in South Asia, I hope it's not the case. I think it's not clear how much China wants to project itself militarily, and in case of America, also the new administration is different as one of senior official replied there is no "redline" to the question of America towards South China Sea.

Dr. Jiadong replied: And the question of arms races is not related to BRI at all, it's another issue, and I think a new international security structure must adapt to a new economic structure. I think arms race and war are also different from what they were before. As we can see now, countries are not interested in waging war but want to exert influence.

Concluding Remarks by Chair:

There are lots of risks and challenges circulating the whole criteria. Having said that, we also have to recognize that we are living in an era where we are facing protectionism, various types of conflicts and also various uncertainties. So, in this case, with these uncertainties and various challenges, I think the South's cooperation is important and China can be a big player in this.

The issues that have been discussed here is how we can ensure accountability, transparency and compliance as we have to work together. So, with this, I would like to conclude this session, thank you very much for your participation, I think it was a lively and active session.



Working Session 04

Chair- Ms. Ayesha Kabir

Consulting Editor: The Prothom Alo English

Opening remarks by the chair

The Chair started the session by introducing the two speakers who presented their papers. Firstly, Ms. Ayesha Kabir introduced Dr. LIN Minwang, Associate Professor and Deputy Director of Center for South Asian Studies, Fudan University, China. Dr LIN worked as Second Secretary in China's Embassy in India (New Delhi) from 2013-2014. He also served as a visiting scholar in Institut Français des Relations Internationales (IFRI), Paris (2008) and College of Europe (Bruges) from 2012-2013. He has a broad research interest in IR, including IR theory, China's Foreign Policy and IR in South Asia. In recent years, he has published widely on China's One Belt One Road initiative (OBOR), geo-strategic situation in South Asia and Indian Foreign Policy.

Next Ms. Ayesha Kabir introduced the second speaker for the session, Mr Hernaikh Singh, Senior Associate Director, Institute of South Asian Studies, National University of Singapore. Mr Hernaikh Singh has more than 20 years of experience in Singapore governmental and non-governmental organizations, the business sectors and the academia. He has managed a diverse range of portfolios, including International Relations, Policy and Business Development, Administrative Management (encompassing human resources, finance, fundraising, corporate communications and events management), Editorial and Publications Management, and Training and Research Development.

Hernaikh was a pioneer staff of the Institute of South Asian Studies (ISAS) during its formative period from September 2004 to December 2009. He rejoined ISAS in April 2017. He works with the Chairman and Director in the overall management of the institute and, together with them, charts the think-tank's strategic directions. He also manages ISAS's overall administrative functions.

After the short introduction of the speakers, the chair requested them to deliver their speeches.

Infrastructure and the Prospects of Development in BRI

Dr. LIN Minwang

Associate Professor and Deputy Director of Center for South Asian Studies, Fudan University, China

Dr. LIN Minwang started his presentation by emphasizing on the importance of understanding China's new diplomacy related to Belt and Road Initiative (BRI). According to him, one cannot get a proper picture of BRI without understanding the new diplomacy of China. Hence, among the two parts of his presentation, the first was related to understanding the new Chinese Diplomacy while the focus of the other rested on the impact of BRI to Asia.

PART I- CHINESE NEW DIPLOMACY AND BRI-

Around the globe and also in this regional conference, one common perception is that China has completely changed its foreign policy from low profile diplomacy. At the start of his presentation, he had provided multiple examples of China having started to change its approach toward foreign policy. He talked about The Asia Infrastructure Bank regarding the matter and how the proposal of this bank was turned down by the ex-president of China, HU Jintao, whereas the same proposal was approved by the current president, Xi Jinping. Dr. Minwang quoted the former financial minister of China saying, "China wants to assure more international responsibility for development of Asia and the global Economy."

With the hope of establishing peace over the region, China has started its peace process in Afghanistan with Taliban with a role of getting involved in the peace processes. Providing more examples, Dr. Minwang talked about the change in foreign policy of China towards the Middle East, how President Xi Jinping visited Saudi Arabia and Iraq in 2015 with a motive to play a bigger role in international politics. Examples were also drawn related to South China Sea and how China's approaches are changing with new foreign policies of President Xi Jinping. This brought out a question as to why there is big change in China's foreign policy under President Xi Jinping, which according to Dr. Minwang can be understood from two lenses—

1. China's dream for growth-

These Chinese dreams for growth can be achieved in four aspects, which are— I). A community of better future for humankind

II). Promoting an open, innovative and inclusive international economy

III). Creating a security architecture by providing fairness and justice and joint contribution

VI) Through establishing intercultural exchanges

2. The Asian community of Asian destiny- These can be achieved in two aspects as below.

I) China has begun to provide regional public goods. China no longer wants to be a free rider but desires to be a responsible power holder. In explaining this, Dr. Minwang referred to former US president Barak Obama's comment that "China is a free rider and has been a free rider for last 30 years."

II) China wants to reshape its enabling environment, not just create a template for it. Hence, under the guidance of president Xi Jinping, China is trying to emphasize on gaining achievements in international politics through its new foreign policy.

PART II- Impact of BRI to Asia (Geopolitics and Geo-economics)

The project of BRI has stimulated a great power competition. The big power has a very different position regarding BRI. Dr. LIN Minwang brought the example of how Japan always opposes the BRI. He used the statistical background to prove how Japan is always thinking of a power race than the motive for development. According to Dr. Minwang, statistics proves that China is rising; twenty years ago China's GDP was only ten percent of Japan where comparatively today China's GDP is 260 percent of Japan's. Even Japan, being an Asian economic super power, has to change its policy towards BRI. After China's Prime Minister visited Japan, both the countries had several track 1.5 dialogues on BRI. The outcome of the dialogues were that Japan would collaborate with China regarding the BRI.

Dr. Minwang also talked about Russia. Russia had been one of the most positive countries to support BRI. He talked about the how a leader's intentions and views matter regarding the BRI using the example of the China-Mongolia-Russia Economic Corridor. The plan and map of the BRI will completely depend on how different participating counties agree and discuss among themselves.

One of the important segments of his presentation was how US views China's BRI approaches in Asia. US always had tried their level best to get engaged in BRI. They even sent a delegation to a forum discussion relating to BRI. As due to trade war between China-US, US's approaches towards BRI has started to change probably for any geopolitical strategy of US administration.

One notable interpretation from Dr. Minwang's speech was that most of the landlocked countries seem to have welcomed the project of BRI. As landlocked countries have never gotten the opportunity to use sea ports, BRI could allow them to use China's different ports for trade purposes. For example- Mongolia can use China's Tianjin port and Kazakhstan would be able to use China's ports. Previously both countries were completely dependent on Russian sea ports for import and export, but now China has provided a new opportunity to use their sea ports. Despite being backed up by supporters like Russia, there are also few who have kept opposing the initiative like India. Also, India has expressed frustration regarding China-Nepal Economic Corridor and BRI cooperation. Dr. Minwang stated further, "BRI is not a geopolitical tool for China but I think it will have geopolitical impact."

The speaker proceeded to mention that China will lead Asia especially in the aspect of economic development. By 2020, the economy of China will be much stronger compared to the combined economic capacity or GDP of India, Australia and Japan. Hence, ultimately there should not be any doubt that China will be Asia's super power in terms of the economy. Dr. Lin used an economic growth rate chart which made a comparison between China and Japan. The second notable thing he mentioned was that over the next few years, the economic dominance of US over Asia will decline. This is because US is not a neighboring country and it would be tough for them to compete with China in terms of trade. Also, the current American administration seems to be less interested in having influence of Asia.

Dr. Minwang derived that Japan has always tried to stand as a competitor for China rather than focusing on a positive development. Despite being an economic power, Japan has always failed to think in an Asian way but rather pretended to be more European. Thus, if Japan continues to behave as such, it will soon be isolated from its Asian mates. Lastly, Dr. Minwang stated that if India reconsiders their approach towards BRI, it would be beneficial not only for them but for Asia in total.

BRI: Addressing Common Regional Challenges

Mr. Hernaikh Singh

Senior Associate Director, Institute of South Asian Studies, National University of Singapore

Mr. Hernaikh Singh started by reminding the crowd how difficult it would be for him to bring anything new on the floor, being the very last speaker of the two-day conference. Not an academic or a policy maker, Mr. Singh found his derivations to be comparatively undiplomatic, unlike other speakers of the conference. His interesting comparison of BRI with dinosaurs excited every single participant in the hall. Mr. Singh used the example of dinosaurs to establish an idea about how people's perspectives differ, given that to someone it is a magnificent and majestic while others find it beastly and terrifying. Later, this interesting example was applied in context of BRI, where perspectives of different countries of South and South-East Asia tend to be different towards BRI. Mr. Singh, being a Singaporean, explained how Singapore looks at BRI from a partnership perspective rather than purely receiving Chinese funds for development projects like other South or South East Asian countries.

Background of BRI

At the early stage of the presentation, Mr. Singh provided a solid historical background of BRI. BRI was introduced by Chinese President Xi Jinping in 2013 during his visit to Kazakhstan and Indonesia. The BRI initiative intends to promote economic cooperation by creating networks that will allow a more efficient and productive flow of trade and further integrate international markets both physically and digitally. He mentioned, the objective of this initiative is to connect Asia, Africa and Europe, through Europe-Asia continental roads as well as sea routes through South China Sea and Indian Ocean, which is promoting economic cooperation among the countries along these routes. He provided some statistical insights that BRI includes 70 odd countries making up over sixty two percent of the world population, thirty five percent of world trade and thirty one percent of the world's GDP.

INVOLVEMENT OF THE SOUTH ASIAN COUNTRIES IN THE BRI- The next segment of his presentation was regarding the involvement of South Asian countries in the BRI. As most of the South Asian countries are associated with the BRI, he provided in-depth analysis country wise.

India

India is one of the exceptions. It has refused to sign on to the BRI. Its main concern is that a part of the BRI which runs through Pakistan-occupied Kashmir (PoK) may violate India's sovereignty and territorial integrity. New Delhi boycotted China's Belt and Road Forum held in May 2017. As a whole, India is apprehensive of China's growing military and political clout in the Indian Ocean.

Pakistan

Unlike India, Pakistan has given full endorsement to the BRI, perhaps since Islamabad enjoys close relations with China. The China-Pakistan Economic Corridor (CPEC) is seen as the signature project since it is one the six economic corridors of the BRI. The CPEC, which started in 2014, is seen as a framework of regional connectivity between China and Pakistan. The CPEC will connect the city of Gwadar in Pakistan to China's Xinjiang region through a network of roads, railways and highways. The initiative is a string of projects that aim to improve geographical linkages through rail, road and air transportation system and produce a bigger

volume of businesses and trade. There are both short-term and long-term projects for the CPEC. Once the CPEC is fully completed, it will help to shorten the trade direction for China's oil imports by 6,000 miles. In terms of funding, over 90% of the costs are being borne by Chinese banks and the remaining 10% by Pakistan.

The port of Gwadar was given to a state-owned Chinese company on a 40-year lease after the Port of Singapore Authority abandoned it in 2013. The port's equity is unknown. The CP, projected to connect Gwadar port, a naval base, Special Economic Zones (SEZs) in Pakistan with China's Xinjiang province. The port is strategically located outside of the Gulf of Oman. Hence, it serves as a fulcrum between the Indo-Pacific sea lanes and Middle Eastern oil sources.

Sri Lanka

Despite the regime change, Sri Lanka has been actively associated with the BRI. In 2015, China described Sri Lanka as "a dazzling pearl" in the emerging scenario.

The two main BRI projects in Sri Lanka are the Hambantota Port and Colombo Port City. In 2017, the Hambantota Port was given on a 99-year lease to China with 70% equity. On the other hand, the Colombo Port City was given on a 35-year lease to Beijing with 85% equity. China argues that its BRI investment in Colombo is to help Sri Lanka's social and economic development given the bilateral relations between the two, although many in the country has accused of selling the country to the Chinese.

Bangladesh

Bangladesh decided to join the BRI in 2016. Shahidul Haque, Bangladesh's Foreign Secretary, reiterated his country's commitment during the World Economic Forum in New Delhi in October 2017. The three key BRI projects in Bangladesh are Karnaphuli Multi- Channel Tunnel, Payra power plant and Dhaka-Jessore rail line.

First, the Karnaphuli Multi-Channel Tunnel will connect Chittagong port city to the Karnaphuli River when it is projected to be completed in 2020. The aim of the tunnel is to reduce the travel time between Chittagong and Cox's Bazar and lessen the traffic between the two bridges. Essentially, the Karnaphuli Multi-Channel Tunnel is aimed to be the first tunnel in Bangladesh to enable rail and road transit. Second, works for the Payra power plant have begun as well. The power plant that is being fully financed by China is expected to be operational by 2019. Third, the Dhaka-Jessore rail line is projected to complete by 2022.

Another BRI project between China and Bangladesh is the Special Chinese Economic Zone (formally known as the Anwara 2 Economic Zone). The zone will be able to accommodate 150-200 industrial units and will bring in a range of industrial sectors such as pharmaceuticals, shipbuilding, electronics, chemicals, agribusiness, power and textiles.

Afghanistan

In April 2018, China decided to include Afghanistan in the CPEC initiative. The move has been criticized by India, which enjoys strong bilateral relations with Afghanistan. China has said that the CPEC will benefit the Afghan economy as well. There may potentially be six CPEC projects in Afghanistan. These are:

- i. Turkmenistan-Afghanistan-Pakistan energy transmission line;
- ii. Rail or motorway connection to run from Peshawar in Pakistan to Kunduz in Afghanistan;
- iii. Motorway project between Peshawar and Kabul;

- iv. Railway lines that would connect Landi-Kotal in Pakistan to Jalalabad in Afghanistan;
and
- v. Another railway line from Chaman in Pakistan to Speen Boldak in Afghanistan.

Nepal

Nepal has an existing MoU with China on the BRI that covers connectivity networks and linkages through railways, highways, ports, aviation and power. Furthermore, a range of BRI projects were discussed between the two when Nepal Prime Minister K P Oli visited China in January 2018. Beijing has plans to strengthen economic and political cooperation with Nepal in areas of post- disaster rebuilding and infrastructure development.

Since the new government in Nepal has organically been closer to China than India, there are speculations that it may be open to further engagement with China on the BRI. In April 2018, the Nepali Minister for Foreign Affairs Pradeep Kumar said, "It was a matter of pride" for Nepal to engage China on the BRI.

The Maldives

China has already constructed port facilities in the Maldives. In 2017, the Maldives endorsed the Maritime Silk Road (MSR) that is a part of the BRI. The endorsement came along with the signing of a Free Trade Agreement (FTA) between the two. This was first FTA that the Maldives signed with any country.

Bhutan

China has extended the invitation to Bhutan to join the BRI. The Chinese Assistant Minister of Foreign Affairs, Kong Xuanyou, reiterated the message when he paid an official visit to Bhutan in July 2018. Xuanyou's visit was the first-high level by a Chinese official to Thimphu since the 2017 Doklam issue. Bhutan has yet to respond on whether it will join the BRI.

CONCERNS WITH THE BRI IN SOUTH ASIA

After talking about the involvement of the South Asian countries with the BRI, he shifted towards what the concerns of South Asian countries were regarding BRI. Mr. Hernaikh Singh started through providing some general concerns of the region then proceeded at the specific country level.

Mr. Singh referred to one of his colleague at ISAS, Mr Shahid Javed Burki, saying that John Pomfret from the Washington Post had written a book, *The Beautiful Country and the Middle Kingdom: America and China, 1776 to the Present*. Mr. Singh mentioned, "He views the BRI as part of the Chinese imperial intentions and highlights the financial problems faced by the countries that have participated in the BRI."

Mr. Singh quoted from *The Straits Times'* report titled 'China debt traps a trademark of its imperialist goals'—"China's activities provide an example of 'debt-trap diplomacy'. In that, Beijing angles for influence overseas by bankrupting partners and bending them to its will."

Some other foreign analysts also view the BRI critically. James Kynge of the Financial Times uses an index of country risk ratings developed by his newspaper to assess the financial burden these initiatives will impose on the countries they will touch. Mr. Singh quoted from ISAS Working Paper (unpublished) 'China's Belt and Road Initiative Revisited' that "The 78 countries selected by China to participate include many of the world's most risky economies...On a scale where seven represents the highest level of country risk, the BRI countries

average 5.2 compared with the average 3.5 for emerging markets”.

He referred to a similar result that was found by Moody's, the credit rating agency, which said that the median rating was Ba2 – signifying a non-investment or 'junk' level of default risk. The BRI, therefore, is working mostly in the countries that are already heavily in debt, mostly to foreigners.

The Chinese initiative will only worsen the situation.

India

India has been one of the biggest critics of the BRI. As mentioned, India's two main concerns with the BRI are the sovereignty issue of the CPEC that passes through Pakistan-occupied Kashmir (PoK) and Beijing's growing clout in the region. New Delhi is concerned about China's strategic intentions in this regard. Additionally, India is arguing that the overall BRI itself is visibly flawed when viewed through the prism of international connectivity norms, including the financing terms for projects in China's partner-countries.

India has stated that it will not join or support the BRI until its concerns are addressed. However, given the recent improvements in Indo-Sino relations, India may tone up its down criticism on the BRI by flagging the sovereignty issue on the CPEC.

Pakistan

There have been concerns about transparency on the Chinese loans handed out to Pakistan. The main criticism is the huge debt that Pakistan owes to China that will jeopardize its long-term economic viability. Currently, it owes approximately US\$5 billion. The incoming Pakistan President, Imran Khan, has vowed more transparency amidst fear of the country's ability to repay Chinese loans relating to the CPEC.

The Gwadar Port is highly undeveloped and unprofitable. Its construction started in 2002 where the Pakistan received a US\$198 million loan from a Chinese bank and was completed in 2007. Despite the port's underperformance and lack of economic viability, China decided to invest in it, raising eyebrows.

In the case of Pakistan, Pomfret is critical of the Chinese approach to housing the people who are working on the BRI projects. Pakistan, he says, is reportedly the site of a Chinese-only community near the port of Gwadar. In addition, Chinese firms, worried about terrorism and kidnapping, employ thousands of their own security officials who appear to act outside of Pakistani law. This way of doing business reminds many of the critics the way the British operated during the colonial period. Some Pakistani commentators have drawn a parallel between the arrivals of the British into India by way of the East India Company to the way the Chinese have begun to operate in their country.

Sri Lanka

When its civil war ended in 2009, Sri Lanka faced boycott in the international arena due to its alleged human rights violations. Many countries and international organizations refused to provide foreign aid to Sri Lanka until it handles its post-war reconciliation in a just manner. "No one was interested in investing in Sri Lanka. Anything is great when there is no alternative", Luxman Siriwardena, a former finance ministry official, was quoted in an online article on Bloomberg.

As a result, China stepped up by providing loans after loans. Sri Lanka's debt to Chinese firms stood at approximately US\$8 billion in 2017.

The huge debt seems to have backfired. Sri Lanka now spends 80% of state income to return the loans. Colombo had no choice but to give up part of its sovereignty by leasing out Hambantota for 99 years in order to pay part of its debt. This Sri Lankan indebtedness is also a concern expressed by Pomfret. Furthermore, there were protests by local dwellers in Sri Lanka who claimed that they were evicted from their homes to pave way for the Chinese industrial zone.

Bangladesh

Bangladesh has been positive about the BRI despite the mounting criticism. Dhaka has said that the Special Chinese Economic Zone will not be fully dependent on Chinese firms. Paban Chowdhury, Bangladesh Economic Zones Authority's Executive Chairman said, "As per our initial agreement, while Chinese investors will get preferential treatment, other local and overseas businesses will also be welcome."

However, a similar criticism has mounted on why China is investing in a port that is highly congested and stilted. The port also does not have sufficient capacity to hold the latest tankers.

Afghanistan

Some analysts have said that China may have extended the CPEC to Afghanistan to gain access to its minerals. It may also help to export China's industrial surplus to Afghanistan. In an online article on The National, "China can expect a lot of economic benefits by investing in Afghanistan. Such investments will strengthen Chinese projects in Pakistan, and also help China to access natural resources in Afghanistan. Afghanistan also has the abundant potential of hydroelectricity, which Chinese companies can tap and sell in Pakistan."

Nepal

Nepal is not viewed as a key country in the BRI plans, unlike Pakistan and Sri Lanka. However, Nepal is cognizant of not getting caught up in a debt trap by investing in projects that do not yield enough economic benefits.

The Maldives

The main opposition in the Maldives has argued that joining the BRI will increase its debt to China. Former Maldivian president Mohammad Nasheed said recently, "This is not in the Maldivian national interest. It will deepen the debt trap to China – already more than 70 per cent of our foreign debt is owed to Beijing, which gives it huge leverage over us, undermining Maldivian sovereignty and independence." He called China's actions in the Maldives as 'land grab' and 'colonialism'.

Bhutan

Bhutan may not keen to join the BRI due to outstanding issues with China such as the disputed border. China and Bhutan have already hosted 24 rounds of discussions to find a solution to the land boundary issue. However, no resolution has been met so far. The unresolved land issue may be a deterring factor in Bhutan's ambition to join the BRI.

SOUTHEAST ASIA AND THE BRI

After providing in depth analysis of BRI and its relevance to South Asia Mr. Singh shifted his concentration towards South-East Asia. He started off talking about Singapore's involvement in the BRI.

Singapore

Singapore's involvement in the BRI prior to the announcement of the BRI, Singapore and China had already cooperated on the China-Singapore Suzhou Industrial Park and the Sino-Singapore Tianjin Eco-city. After the BRI was unveiled, Singapore and China collaborated on the Chongqing Connectivity Initiative (CCI), in 2015.

In an interview with the Chinese newspaper People's Daily this year, Singapore's Prime Minister Mr Lee Hsien Loong noted that Singapore and China have identified four major areas of cooperation for BRI:

- i. Infrastructure connectivity;
- ii. Financial connectivity;
- iii. Joint collaboration to help other BRI countries; and
- iv. Offer of services to resolve cross-border commercial disputes.

Most recently, in 2018, Singapore and China also signed an MoU on Third-Party Market Cooperation. The aim is to identify sectors and markets of mutual interest and organize business matching activities and forums to facilitate third-party market cooperation between Singapore and Chinese companies along the Belt and Road. Singapore and China will also work with commercial and policy banks, insurers and financial institutions to support the financing and project structuring needs of third-party market ventures by companies from both sides.

THE OTHER SOUTHEAST ASIAN COUNTRIES AND THE BRI

Given the close historical and economic linkages of the Southeast Asian countries with China, the BRI railway routes present some prospects for the countries involved. Mr. Singh present a snapshot of the prospects for Thailand, Malaysia, and Vietnam.

Thailand

Thailand, at the heart of Southeast Asia, shares diplomatic relations with China since 1975 and the bilateral relationship is very strong due to economic and cultural linkages. China is also Thailand's largest trading partner with a large trading deficit.

Along the central railway line, Thailand is the largest country. The Sino-Thai railway spans Bangkok to the border town of Nong Khai, adjacent to Laos, which will then be joined with the Sino-Lao railway. Thailand has the potential to become the largest continental trade hub in Southeast Asia as it borders Laos, Cambodia, Malaysia, and Myanmar. Thailand has also proposed connecting its Eastern Economic Corridor (EEC), worth over US\$40 billion, to the BRI. However, this idea is only at the proposal stage.

Malaysia

Malaysia-China trade was over US\$70 billion last year. Under former Prime Minister Najib Razak, Malaysia was one of China's strongest BRI partners. However, after Prime Minister Tun Mahathir was sworn in this year, he cancelled several BRI-linked projects – the East Coast Rail Link (ECRL) project and two other gas pipelines, which were collectively worth over US\$20 billion, on the grounds that the Malaysian economy could not afford the costs. This is widely seen as a notable pushback on the progress of the BRI in Southeast Asia, although Prime Minister Mahathir stated that President Xi and Premier Li Keqiang understood Malaysia's reasons for withdrawal and accepted them. The ECRL was intended to be part of the central railway line and, as such, would certainly be viewed as a setback for the BRI in the region.

Vietnam

Vietnam, which factors in the western railway link, presents a more difficult picture. The country is in dire need of investment infrastructure. In 2017, Vietnam's Prime Minister Nguyen Xuan Phuc asked the Asian Infrastructure Investment Bank (AIIB), the Chinese-backed funding arm of BRI, to invest in Vietnam's infrastructure. However, there is currently no ongoing project in Vietnam which explicitly falls under the BRI flag. Vietnam is expected to observe the outcome of the other BRI projects in the region before explicitly committing itself. Coupled with its own financial difficulties as well as thorny issues such as the South China Sea, it looks likely that the BRI will face 'significant challenges' in Vietnam in the times to come.

CHALLENGES OF THE BRI IN SOUTHEAST ASIA

In the last segment of Mr. Hernaikh Singh's presentation, he addressed the challenges related to BRI in South East Asia.

The scale of the BRI and concerns about Chinese intentions has naturally raised concerns about the BRI in Southeast Asia. There is growing doubt about the BRI due to reasons such as a lack of publicly available data and the fact that the BRI is a 'vision' and not a solid government plan with funds and deadlines.

Another pressing issue is the lack of capacity within the Southeast Asian states to provide support for the BRI. Many of the Southeast Asian states are struggling to cut red tape, privatize their state-owned enterprises, and enhance legal rights and tax systems. They also need to improve financial sector oversight, attack fiscal imbalances, deal with aging populations, institute policies to deal with commodity price volatility and boost productivity. Moreover, many lack adequate infrastructure.

Indonesia, which is critical to the development of the MSR initiative in Southeast Asia, given its economic weight and location, needs better infrastructure, reduced government regulation, enhanced worker productivity and sectoral openings.

Malaysia, Southeast Asia's second largest economy, faces economic challenges such as boosting productivity, diversifying and stabilizing its tax base, and reducing debt.

Myanmar, a key player in the MSR initiative, lacks adequate capital markets and regulatory systems, infrastructure, and education systems. These problems will limit the ability of Southeast Asian countries to facilitate China's MSRI scheme and, in fact, have the potential to impede or slow it.

There are also large concerns about Chinese influence/dominance over countries with BRI project investments, stemming from the experiences of countries such as Sri Lanka. In Southeast Asia, for example, the cost of a China-Laos railways project is estimated to be \$6.7 billion. This represents almost half the country's GDP.

Larger Southeast Asian countries such as Thailand and Malaysia face large economic problems. The so-called 'debt traps', induced by BRI projects, could further accentuate economic crises in these countries. This is perhaps also one of the reasons why Malaysian Prime Minister Mahathir has reversed the country's stance on the projects.

Other related geopolitical factors also factor into the BRI challenges. For example, the South China Sea has been a point of tension in relations between China and ASEAN. China has been vociferous in its claims over the sea waters and negotiations on a 'code of conduct' between China and ASEAN are still ongoing. As such, the South China Sea is bound to be a leveraging factor in BRI dealings as well.

Conclusion

In his concluding remarks, Mr. Hernaikh Singh made a couple of interesting comments, "There is no doubt that the BRI is the most ambitious initiative in modern-day history." With the involvement of more than 60 countries, comprising a combined population of over 4 billion, the BRI has the potential to change the face of socio-economic and political relationships across many countries.

However, the BRI is not without its critics and concerns. Virtually in all continents that the BRI has touched, there have been a range of concerns, with some commentators even likening the BRI to modern-day colonization, minus the actual movement of troops. On its part, China recently set up an international expert legal panel to burnish the country's legal image as well as to help the Supreme People's Court to deal with the rising number of commercial disputes arising from BRI- related projects.

At the end of the day, each participating country will need to assess the cost-benefit of its participation in the BRI. In the words of the head of the International Monetary Fund, Christine Lagard, "It's not a free lunch. It is something where everybody chips in". According to Mr. Singh the question is what and how much do the South Asian and Southeast Asian countries want to chip in and at what cost.

Question and Answer Session for Working Session 04



Colonel Khairul Ahsan (Retd)

A former ambassador of Bangladesh to China- Former ambassador started with referring back to presentation given by Mr. Hernaikh Singh about 'debt-trap.' Talking about the debt trap, he pointed out how a very important Sri Lankan port had to be leased out to China for 99 years due to not having the capability to pay back the loan. The question he placed was whether Beijing can come up with some form of mechanism to handle Chinese loans without countries falling into the debt-trap?

Mr. Hernaikh Singh replied: If we look at fine lines of the agreement, even in Africa, only Chinese workers are taken to work in Chinese projects. China definitely has certain political and economic expectations from BRI, no one gives free money by claiming it to be contributions to the world. What China should do is to look after and reconsider the conditions of the loans to be provided in a better manner. He also emphasized on the need of transparency and if China is working for the proper cause, it needs to make it transparent for the world. A lot of contracts and agreements are clouded with misunderstandings to non-understandings

regarding BRI. It is impossible to remove economies from politics, geopolitics or security. Hence, each individual country must examine themselves regarding what they can achieve through BRI.

Question from one of the speakers of the conference- Congratulating both of the speakers, he placed a question about what the complementarity and contradictions between BRI and other regional organizations such as ASEAN, SAARC, BIMSTEC are. Secondly, as BRI and regional cooperative initiatives have similar objectives like integration, connectivity, people- people contact or financing of common regional project, how can this region be benefited from both regional organizations and BRI at a time? He specifically questioned Mr. Hernaikh Singh.

Mr. Hernaikh Singh replied, BRI is simply not an organization. ASEAN, SAARC, BIMSTEC they are all groupings with conditions whereas BRI is bilateral with partners across eighty countries. Organizations are bound by the rules and regulation that affect all its members. Taking about ASEAN there are two simple principles that is not always agreed upon by each countries and issues and consensus will determine the decision. It is still unknown how BRI will pick up from other institutions and organizations. Developing countries require development funds, the Chinese have come forward because organizations like IMF or World Bank are very stringent. So just like IMF and World Bank, BRI has an economic and political motive.

Dr. LIN Minwang replied, this is an important thing to consider that Chinese scholars think about all the time. Maybe not now, but maybe in the distant future, China might cooperate with regional organizations in the matter. China does not oppose any project in Asia, rather welcomes it.

Question from one of the participants of the conference- Placed to Mr. Hernaikh Singh, he asked a clarification regarding the debt-trap circulating the BRI, given that no such evidence yet exists.

Mr. Hernaikh Singh replied, Sri Lanka is not just a special case, more recently there was a write up in a newspaper that an African country had to handover their airport to a Chinese company. If this becomes a general trend, it might affect them in future.

Remarks from one of the Speakers from Sri Lanka- She placed some interesting factual statistics regarding the fact that there exists a ten percent debt of Sri Lanka to China, whereas Sri Lanka owes about twelve percent to Japan and about forty percent to international financial markets. Hence, Sri Lanka does necessarily have a debt problem to China.

Mr. Hernaikh Singh replied, People around the world have a serious concern about the debt problem in Sri Lanka. Hence, there is a serious concern regarding Sri Lanka-China relationship as far as Hambantota is concerned. We observed cases like this in Africa as well.

Dr. LIN Minwang replied, Opposing the claim of the question of the participant, there is no debt trap in Sri Lanka which is only 10% of national debt. Also, 61.5% of China's loan to Sri Lanka was on favorable terms. Comparing the example of Pakistan, only 10% of national debt is from loan from China, where comparative 42% of debt remains to US and Europe.

Closing remark by the chair –

The chair commented that the conference observed a very pragmatic, tangible and down-to- earth facts from both of the speakers at the end of the two-day conference. In the last two days, very informative observations with pertinent questions flowed across the panels, according to Ms Kabir. She confessed that she had not expected such stimulating responses from the audience on the last session of the last day. Thanking all the speakers, she requested Major General Munir Muniruzzaman (Retd), President of Bangladesh Institute of Peace and Security Studies (BIPSS), to make the concluding remarks of the two-day regional conference.



Summary of the Press Briefing

Moderator of the Press briefing - We are holding this Asian Regional Conference on “Belt and Road Initiative: Prospects and Challenges.” We have the presence of our international speakers from South East Asia—Malaysia and Singapore, from South Asia—Nepal and Sri Lanka and obviously Chinese scholars and speakers. We have also welcomed representations from Yunnan Academy of Social Science, Kunming. Bangladesh is an important country in the BRI and here you can ask questions to distinguished speakers from different countries. The floor is open for both English and Bangla questions.

Question from a journalist: In a roundtable with the Chinese Ambassador, he suggests one mechanism like TIKFA platform under BRI to discuss economic activities with China bilaterally. What does the Chinese representative have to say about this?

A friend from the Press questioned: To the Nepalese former foreign secretary in the panel, since India has not joined the BRI, how will it affect the implementation of BRI in South Asia? Is there any step being taken to bring India into the project?

One of the panelists replied: It is a very important question. China initiated a good project and regardless of India’s participation, it should continue approaching other countries until India joins at one point in time. The important thing to note is that China and India should resolve their bilateral issues. There are some political issues related to geo-politics of the region and to resolve these, bilateral confidence-building measures need to be taken by the countries.

Moderator of the Press conference- The concept of the BRI is ‘open inclusiveness’, meaning it is completely a voluntary initiative. The doors are kept open for any country who want to join in BRI; also no states are

forced to join in it. Hence, if India reconsiders their thoughts on BRI and feels it beneficial for them to participate, they would be welcome to join. He notably added the kind of advantage each country will receive in terms of infrastructural development from this mega project.

One of the panelist added- The politics of South Asia among China and India is still stuck to the equation of win-loss politics and not win-win. Through Wuhan Summit, India indirectly showed interests in the BRI. The Prime minister of India and the President of China both agreed to focus on economic issues, keeping the unresolved issues aside. Unfortunately, the win-lose politics came into play in Doklam. Hence, the game of win-lose politics is an important factor regarding why India still has not joined BRI.

Question from the Journalist: Despite China being a good friend of Bangladesh for long, China had continued to act against Bangladesh regarding the Rohingya refugee crisis. So, why has Bangladesh accepted the Chinese BRI idea?

Reply for Panelist- In the context of relations, there are a lot of things to consider like economic aspects between China and Bangladesh, not only the Rohingya refugee crisis. Even two brothers from the same mother have certain differences. The Chinese did neither support nor oppose Myanmar regarding the Rohingya refugee crisis.

One of the panelist added- I can certainly understand how sensitive and emotional of an issue it is for Bangladesh, and all of us from rest of the world. Even though it is really hard, it is important not to connect other economical and developmental plans like BRI to crises like the Rohingya issue. Even though a lot of countries in ASEAN have difficulties with China regarding South China Sea, ASEAN nations have always kept the issues in a separate box in terms of trade and other cooperation initiatives.

One of the participants questioned: Is the 40 billion dollars investment in Bangladesh only G to G or P to P or C to C or B to B? If it is only government to government, there might be short knowledge capacity. What is the plan of the government of China regarding the issue?

Answer from one of the Chinese panelists: I'm not an official from the government, I'm just a professor. In China, the Chinese approach to promote BRI is for a collaborative transformation. In the past, many investments have come from the central government in Beijing, but this approach has been changed currently which has an involvement with the lower government— from government to private companies. So, approach has changed and it's no longer only state- owned companies' deal.

Moderator of the Press Conference- For more clarification, the 40 billion is not coming directly for BRI. 24 billion dollars is coming for BRI and infrastructure development and rest 16 billion dollar is coming as a joint investment which will be in the private sector. So, 24 billion dollars is most likely to be G to G. I am hopeful that by the beginning of the next year, the fund flow will start, but I completely agree with you that it is a difficult task for a small country to absorb 40 billion dollars with all accountability and transparency, I hope we can manage that.

Question of a journalist: If India remains in their position, what would be the future of BRI for this region?

Answer from one of the panelists- It is important to understand that India is not on board because it might affect their strategic interest in South Asia. Another issue is that India does not want to participate in BRI as a junior participant. One important thing to note is that India is a world power, they are an immensely important country unlike Pakistan and Bangladesh. The main reason to resist BRI is because of their ego.

However, there are many aspects of the BRI that India has indirectly taken part in.

Answer from one of the panelists- It is an identity issue for India. Trailing back to history, during the colonial period the British had predicted that the mastery of Asia will be dominated by two countries- China and India. So, joining the BRI as a less powerful nation is egotistically unacceptable to India. Hence the factor of joining BRI for China is a negotiation of status in India's lens.

Moderator of the press briefing- I would like to thank you all for being with us this afternoon, talking and discussing with us on an issue of great importance. Perhaps this is the biggest mega project of the century and President Xi Jinping addressed very rightly that it is truly a project of the century. If we rightfully understand all the aspects of BRI, following our national interests, Bangladesh as a nation and as a member of the South Asian region can certainly benefit a lot from our participation on BRI. My thanks and appreciations to our speakers for answering the questions for our journalist friends very clearly and elaborately.

Special address by Professor CHEN Iijun, Vice President of Yunnan Academy of Social Sciences, China.

Ms JIANG Maoxia, Associate Research Fellow, Institute of South Asian Studies, Yunnan Academy of Social Sciences (YASS) on behalf of Professor CHEN Lijun, Vice President of (YASS), China



We are thanking BIPSS for providing us the hospitality and would like to thank the chair for giving me the opportunity to express my ideas on Bangladesh, an important country for China. Both China and Bangladesh

have developed long-term good relations. Interest about Bangladesh in China was a lot less in the past years due to the various factors. Most people in China have a very little understanding about Bangladesh. The image of Bangladesh has significantly changed with development of BRI. China and Bangladesh welcomed the new opportunity to carry out new development initiatives. At present, scholars from think tanks from both countries should conduct collaborative research on the significance of bilateral cooperation and carryout joint research on relevant issues in order to put forward proposals on bilateral cooperation. By involving in the bilateral cooperation would strengthen the ties with these two countries in the years to come.

Firstly, we think Chinese scholars should consider Bangladesh, viewing the country through different lenses. Since, both countries built diplomatic relations in 1975. Bilateral relations have developed continuously since then. Leader of Bangladesh visited China many times like former President Zia Rahman, former President Abu Sayed, Premier Khaleda Zia, Premier Shaikh Hasina. Chinese leaders also visited Bangladesh successively, like Chairman LI Xiannian, Premier Li Peng, Premier Zhu Rongji, Chairman of the Chinese People’s political consultative conference Jia Qinglin, Premier Wen Jiabau, Chairman Xi Jinping and others. Both countries declared to build and develop comprehensive cooperation partnership in 2010. When Prime Minister Shaikh Hasina visited China in 2014, she talked with Chairman Xi on different issues. Both countries have issued jointed statements on developing comprehensive partnership. At the same time both countries signed a number of package agreements. It is the land mark for long-tested partnership between these two countries, built through years. For instance, in August of this year, when Bangladeshi minister of planning stated that Bangladesh welcomes China to help in these areas of cooperation while talking to our ambassador Zhang Zuo. Cooperation on areas such as on new energy, marine economy and agricultural products are some of the issues discussed.

We believe that relationship between both of the countries is extraordinary and now entering a stage which is truly in a historical stage. At the same time, Bangladesh is in a good geographical location and with a large population. Both countries have similar goals toward international and regional issues, and we also have good consensus on regional cooperation. We have economic complementarities, we don’t have land disputes. Most importantly, we have carried out wide range cooperation in areas like political, economic, and cultural just to name a few. We have a good basis for interaction, so we think we have potentials for deep cooperation. Now we would like to provide suggestions on China-Bangladesh cooperation. First suggestion is to build high level cooperative mechanism. We can achieve this by following ways: build high level coordinative mechanism, to resolve issues in terms of cooperative practically in order to promote numerous benefits. Secondly, build intra-governmental mechanism to coordinate to build and improve cooperation. Thirdly, build industrial cooperation mechanism. We believe that this approach would strengthen the industrial cooperation. The key is of economic cooperation is industrial cooperation, which enable us to capitalize on our natural advantages on the basic of complementarities of economy, trade and industries. Cooperation on advantageous industrial should be key area. Projects cooperation should be on industrial cooperation capacity building. These areas mentioned could be priority area of bilateral cooperation.

That’s all,

Great thanks.

Conclusion & Closing Remarks

Major General A N M Muniruzzaman (Retd), President BIPSS

Ladies and gentlemen,

A very good afternoon to all. Time has really gone fast, it was just yesterday morning and today we are at the end of the second day and we are about to complete. I have the task of given the concluding remarks, but I would not like to summarize the important discussions that have taken place in last two days. It would be good for all of us to take way the fruitful discussions points with us that happened here over the last two days and I would like to recap some of them. First of all, we all believe that this is an ambitious mega project that it works over 73 countries and over 25 organizations and entities. Together around hundred countries and organizations are involved in this belt and road initiative. Well, I might also remind you that we are not here to reinvent which we already have this ancient Silk Route and Silk Road, what we are doing in this century is to recreate them for the betterment of the countries along the belt and road. Therefore, the current project which President Xi Jinping first announced in the concert during his visit in Indonesia and later in Kazakhstan and he rightly called it the project of the century. It is now five years since concept was given and we have seen very tangible progress on the ground.

But nonetheless, it is needed to be remembered that the concept of the project is still evolving, and it would evolve for many years to come. Thinking about the whole concept of the project or the initiative, a fundamental principle of this initiative is that it is open and inclusive. It aims at increasing the welfare and economic benefit of the people along the belt and road, the key focus of such benefit remains in the field of infrastructure, building ports, in the field of energy and in connectivity. A major focus and the purpose of the belt and road will be to connect people to connect countries, and to connect regions and to connect continents. We all know that there is nothing bigger than connectivity in bringing economic welfare to the people, for the reason that I have come to believe that connectivity leads to productivity, so connectivity is productivity. Therefore, as we connect people and countries, we make them more productive in all manners. We also agreed that it's a people-centric initiative. People's will, People's vision, people's moral participation, all are in the center of the core in BRI. Therefore, people to people, contact enhancing connectivity of people will remain the central focus of the BRI and its projects. It is indeed not a single country's project, but it is a collective project of the member countries of BRI reflecting the collective will of the people. A centrality of the people in relative the concept of BRI is also focused and bringing greater goods and better benefit to the people who share the concept of BRI.

We also took note of the issues of climate change impacts that affect many member countries of BRI and how it should be addresses. In our reference to implement a project under BRI we always have to remember issues of sustainability and the contribution that BRI can make towards UN Sustainable Development Goals, so those are some key elements that we should remember as we implement the project. It is also important for us to remember that as we implement a very large mega concept, we must keep in mind that our basic heritage and culture must be kept and to be nurtured all time.

Our presentations also touched on issues on the basic fundamental needs for strategic trust that must exist if we want to implement a large mega project like BRI. As there is a lack of strategic trust between countries

and regions, we need to engage people, countries and address the key concerns they have in their mind, only then we can have an all-inclusive initiative.

A presentation from our colleague from Nepal very rightly brought out the concept under the globalisation that exists in the world today. We all agreed that globalisation is a process and we have not abandoned the globalisation just because some countries are adopting the policies of populism. So as long as the sense of globalisation as a process exists BRI will also continue to influence not only the member countries but also the rest of the world.

We also did note that there are severe concerns being pressed by many member countries. We should know their concerns and try to address those concerns. And those concerns must be addressed not by a single country but also collectively. BRI is not only China's project but it is a collective project so everybody who believes in the concept should work together to bring that kind of trust. It is simply in an endeavor in economic development, the socio-economic betterment of people. Those are also core in the heart of BRI. The issues of strategic benefits are inherent in any national or multinational efforts, but they are not in the forefront of BRI principles and motives.

Last two days there are free and frank discussions and debates took place over various issues related to BRI. Issues that keep coming back to our discussion were the notion of the debt trap that is being talked about everywhere and the example of Sri Lanka and other African countries also came up in the discussions.

It's good to have healthy debates so that we could understand and address the concerns at the right time. Our colleague rightly pointed out that debts are not imposed it's also voluntary, rather it's the national responsibility of the country taking the debt. It is also our responsibility as a member of BRI to understand our capacity of how much we can absorb, how much loan a country can take and whether we can sustain or not. Therefore, it is not right to put the blame on the country that provides the debt, but it is also the collective responsibility of the receiving country.

I also find slightly intriguing that the loans from IMF, World Bank, ADB and others, such questions did not come up although we may be under an equal amount of pressure from Bretton Woods institutions when we took money and loans from them. The question of debt trap came up because China for the first time have bypassed the Bretton Woods System.

There was a discussion about India's position and policies vis-à-vis BRI and its membership in BRI. The consequences of India's non-participation was also discussed.

It is also important to mention BRI is not just a Chinese policy, it is China's new diplomacy. We have seen paradigm shifts in the international system and the shift bringing new players. We have witnessed the shifts in power. We have witnessed the shift from uni-polarity to multi-polarity and all these will have consequences. And the consequences related to BRI are linked several security issues. Local sensitivity is extremely popped when we talk about large mega projects of other countries such as the issue the issue of bringing Chinese labour in the project construction.

BRI is still evolving and it may be an open canvas to all of the member countries and we have to come closer to a better articulation of the concept so that the fear and suspicion that exist today can be addressed. Without some sort of management structure at some stage and at some point, in some country such mega

projects cannot perhaps be efficiently coordinated. We are pumping in 3 trillion dollars and it is a massive amount of money into a single concept project, it simply needs elaborate structures of management. There was a very weak media management of projection of the concept BRI for which many suspicions have been spread by people who are opposing BRI. BRI must have media mechanism to send out the right messages and project BRI as economic benign and effort not project as a military endeavor.

I see BRI has a large maritime component in the route. So, the concepts of Indo-Pacific and the concept of pivot towards Asia, those are the issues that have to be studied and proper components of maritime studies should be understood by all.

It is not right to bring controversial aspects in BRI, so let us work for the current concept not bringing new complex issues into the game. I would like to say that I have learned a lot in last two days because it has been a tremendous learning experience for me. The reason for us and BIPSS to hold this conference is that Bangladesh has a key part in BRI and everyone needs to understand all complexities of the concept so that we articulate our national strategy to take part in our national interests. Although, we are a member of the BRI projects, nothing has been articulated in national level about BRI on our membership, on our objectives and our purposes. We all need to understand at the policy level debate them and come out with the strategies at the national level for the benefit of Bangladesh. We are providing a key road to BRI and old BCIM road, therefore, our position in BRI extremely critical. As I said in the beginning in the first day that we are a maritime nation and we position ourselves in a gateway to the Bay of Bengal, so therefore we have to understand our position and strength. I'm extremely thankful to the audience for your valuable participation and I am grateful to our international speakers to travel long distances and accepting our invitations and for giving us insightful thoughts. We are certainly benefited over the last two days and we will continue the discussion in future. I thank you all very much for being with us, being very patient, very active and engaging over the last two days to discuss the issues related to Belt and Road Initiative.

Thank you very much.

ANNEX

Program schedule

Programme
Day – 1
12 September 2018

Time	Session	Programme/Activity	Speaker	
09:30am – 10:00am		Registration		
10:00am – 10:10am	Opening Session	Welcome Remarks by President BIPSS	Maj Gen A N M Muniruzzaman, ndc, psc (Retd) President, BIPSS	
10:10am – 10:30am		Opening Address by the Chief Guest	HE Zhang Zuo Ambassador, Embassy of the People's Republic of China	
Time	Session	Programme/Activity	Speaker	Chair
10:30am – 10:35am		Opening Remarks by Chair		Brig Gen Mohammad Shahedul Anam Khan, ndc, psc (Retd.) Associate Editor, The Daily Star
10:35am – 11:00am	Working Session 01	Key note Presentation: Understanding the Concept & Vision of BRI: The Economic, Cultural and Historical Aspects	Dr. Lailufar Yasmin Deputy Director, (International Affairs) Bangladesh Institute of Law and International Affairs (BILIA)	
11:00am – 11:25am		Key note Presentation: People-to-People Contact Under BRI: Potentials for Cooperation	Mr. Shafqat Munir Research Fellow, BIPSS Head, Bangladesh Centre for Terrorism Research (BCTR)	
11:25am – 12:25am		Q & A Session / Discussion		
12:25am – 12:30pm		Closing Remarks by Chair		
12:30pm – 01:30pm		Lunch		
01:30pm – 01:35pm		Opening Remarks by Chair		Barrister Manzoor Hasan, OBE Executive Director Centre for Peace and Justice BRAC University
01:35pm – 02:00pm	Working Session 02	Key note Presentation: Sustainability Issues around BRI	Ms. Divya Hundlani Research Fellow, Lakshman Kadirgamar Institute, Colombo, Sri Lanka	
02:00pm – 02:25pm		Key note Presentation: The Belt and Road Initiative: The Future of Globalization	Mr. Madhu Raman Acharya Former Foreign Secretary, Nepal	
02:25pm – 03:25pm		Q & A Session / Discussion		
03:25pm – 03:30pm		Closing Remarks by Chair		
03:30pm – 04:00pm		Tea & Refreshments		
04:00pm – 04:30pm		Press Briefing of BRI Conference	All Resource Persons	

Programme
Day – 2
13 September, 2018

Time	Session	Programme/Activity	Speaker	Chair
11:00am – 11:05am		Opening Remarks by Chair		Dr Fahmida Khatun Executive Director Centre for Policy Dialogue (CPD)
11:05am – 11:30am	Working Session 03	Key note Presentation: BRI & It's Strategic Significance	Dr. ZHANG Jiadong Professor of International Relations, Director of Center for South Asian Studies, Fudan University, China Dean of BRI Institute of Strategy	
11:30am – 11:55am		Key note Presentation: BRI & It's Relevance to South and South East Asia	Mr. Sholto Thomas Scettrino Byrnes Senior Fellow ISIS Malaysia	
11:55am – 12:55pm		Q & A Session / Discussion		
12:55pm – 01:00pm		Closing Remarks by Chair		
01:00pm – 02:00pm		Lunch		
02:00pm – 02:05pm		Opening Remarks by Chair		Ms. Ayesha Kabir Consulting Editor The Prothom Alo English
02:05pm – 02:30pm	Working Session 04	Key note Presentation: Infrastructure and the Prospects of Development in BRI	Dr. LIN Minwang Associate Professor and Deputy Director of Center for South Asian Studies, Fudan University, China	
02:30pm – 02:55pm		Key note Presentation: BRI: Addressing Common Regional Challenges	Mr. Hernaikh Singh Senior Associate Director NUS Institute of South Asian Studies (ISAS) Singapore	
02:55pm – 03:55pm		Q & A Session / Discussion		
03:55pm – 04:00pm		Closing Remarks by Chair		
Closing Session				
04:00pm – 04:10pm		Conclusion & Closing Remarks by President, BIPSS	Major General A N M Muniruzzaman , ndc, psc (Retd) President, BIPSS	

CV of SPEAKERS



Dr. Lailufar Yasmin

Dr. Lailufar Yasmin is Professor at the Department of International Relations, University of Dhaka, Bangladesh. She is also a Deputy Director (Research, International Affairs) at the Bangladesh Institute of Law and International Affairs, Dhaka, Bangladesh. She has undertaken her studies at the University of Dhaka, Georgia State University, Atlanta, USA, and Macquarie University, Sydney, Australia. She has been a recipient of the US Fulbright, the British Chevening, and the Australian International Post-Graduate Research Scholarships. She has done her fellowship on peace and conflict issues in UK at the University of Ulster (Northern Ireland) and was a fellow of the Chinese Academy of Social Sciences (CASS) in Beijing, China, working on China's national interest. She has published extensively on secularism in Bangladesh, maritime security issues, China's politics, and on South Asian issues. Her latest research involves issues relating to Bangladesh's foreign policy, regional connectivity and China's rise, and gender issues in conflict situations.



Ms. Divya Hundlani

Divya joined LKI in 2017 as a Research Associate. Divya completed a Master of Public Policy at the Lee Kuan Yew School of Public Policy at the National University of Singapore in 2014. She obtained her bachelor's degree, majoring in Economics, from the University of Miami, Florida, USA. Her master's thesis was on the role of public-private partnerships in the reconstruction of post-disaster environments.

Prior to coming to LKI, Divya was a Research Associate at the Earth Observatory of Singapore, looking at economic livelihoods and housing reconstruction in post-disaster environments. Divya has conducted fieldwork for primary data collection across South-East Asia including Singapore, Thailand, and Indonesia.

Her research interests include microeconomic livelihoods, Sri Lanka's environmental policy, and the concept of sustainability in economic development.



Dr. ZHANG Jiadong

Dr. ZHANG Jiadong, Ph.D and Professor of international relations, Dean of BRI Institute of Strategy and International Security, Director of Center for South Asia Studies, senior researcher in Center for American Studies, Fudan University,

in Shanghai, China. He is a former diplomat in China's Embassy in India (2013-2015). He is the guest professor in John Naisbitt University, Serbia.

From 2001 through 2004, he was studying in School of International Relations and Public Affairs of Fudan University and got Ph.D in International Relations. Since 2004, he joins the Center for American Studies, Fudan University. His studying and teaching areas is broad, covering anti- terrorism, non-traditional security issues, regional security, South Asian issues, and China-American relations.



Dr. LIN Minwang

Dr. LIN Minwang is an Associate Professor and deputy director of Center for South Asian Studies, Fudan University. He worked as Second Secretary in China's Embassy in India(New Delhi) from 2013-2014, and as a visiting scholar in Institut Français des Relations Internationales (IFRI), Paris (2008) and College of Europe (Bruges) from 2012-2013. He has a broad research interest in IR, including IR theory, China's Foreign Policy and IR in South Asia. In recent years, he has published widely on China's One Belt One Road Initiative (OBOR), geo-strategic situation in South Asia and Indian Foreign Policy.



Mr Hernaikh Singh

Mr Hernaikh Singh is working as a senior associate director of Institute of South Asian Studies in National University of Singapore.

Mr Hernaikh Singh has more than 20 years of experience in Singapore government and non- government organisations, the business sector and the academia. He has managed a diverse range of portfolios, including international relations, policy and business development, administrative management (encompassing human resource, finance, fundraising, corporate communications and events management), editorial and publications management, and training and research development.

Hernaikh was a pioneer staff of the Institute of South Asian Studies (ISAS) during its formative period from September 2004 to December 2009. He rejoined ISAS in April 2017. He works with the Chairman and Director in the overall management of the Institute and, together with them, charts the think-tank's strategic directions. He also manages ISAS' overall administrative functions.

Prior to rejoining ISAS, Hernaikh was an Associate Director at the International Office at Singapore Management University, overseeing the South Asian, Southeast Asian, African, Middle Eastern and Central Asian regions. He served as the Chief Executive Officer of the Singapore Indian Chamber of Commerce & Industry from 2010 to 2012. He also held various appointments at the Singapore International Foundation between 1994 and 2004. He started his career at the then-Singapore Trade Development Board (now International Enterprise Singapore) in 1989.

Hernaikh holds a master's degree in Arts (Southeast Asian Studies) from the National University of Singapore. For his outstanding academic achievements, he was awarded the Dr Benjamin Batson Gold Medal. He graduated with a Bachelor of Arts (Honours) degree from the same university.



Mr. Madhu Raman Acharya

Ambassador Madhu Raman Acharya is a former career diplomat of Nepal. He has also spent some time as an international civil servant in the United Nations. During his career in Nepal's Foreign Service, Ambassador Acharya has served as Nepal's Foreign Secretary (2002-05), Ambassador to Bangladesh (1998-2001) and Permanent Representative of Nepal to the United Nations (2005-2009). He joined the Nepalese Foreign Service as Joint Secretary in the Ministry of Foreign Affairs in 1996. In 1997-1998, he was Deputy Chief of Mission in New Delhi, India. Acharya also served as Director at the United Nations Assistance Mission to Iraq (2010 -2011). During the 1990s, he also served in United Nations missions in Cambodia, South Africa and Liberia.

He also served as the Executive Director of the South Asia Center for Policy Studies (SACEPS) in 2012-13. In 2017, Ambassador Acharya also served as a Member of the Nepal's government's federal administrative restructuring committee.

In 1982-83, Mr. Acharya served as Assistant Lecturer at his *alma mater*—Tribhuvan University in Kathmandu, from where he holds a master's Degree each in science and public administration and graduate diploma in law. Ambassador Acharya is the author of a several books, including *Business of Bureaucracy* (2014) and *Nepal: Culture Shift!* (2002).



Sholto Thomas Byrnes

Mr. Sholto Thomas Byrnes is a commentator and analyst with over 20 years' experience in journalism at the national and international level. His past roles have included being Chief Interviewer and Columnist at the Independent, Senior Editor at the New Statesman, and Editor of Qatar Foundation's quarterly international magazine.

He has reported from a variety of countries including the US, Malaysia and Indonesia, and his work has appeared in almost every major UK publication, as well as in newspapers around the world, from the Jakarta Globe and the South China Morning Post, to The National, Abu Dhabi, for which he writes a weekly International Affairs column. He has also provided television and radio commentary for the BBC and Al Jazeera.

He was awarded both his BA and MA in Politics, Philosophy and Economics at Balliol College, Oxford University, and has been a Fellow of the Royal Society of Arts since 2009.

His interests include nation-building in Malaysia, established and emerging democracies in Muslim-majority countries, and Southeast Asian and international relations.



Mr. Shafqat Munir

Mr. Shafqat Munir is currently a Research Fellow at the Bangladesh Institute of Peace and Security Studies (BIPSS). His key research interests are Countering Terrorism and Violent Extremism, Cybersecurity, Maritime Security in the Indian Ocean and other regional security issues. At the institute Mr. Munir is responsible for Bangladesh Centre for Terrorism Research (BCTR) and the Risk Assessment Unit. He also coordinates several track 1.5 and track 2 dialogues undertaken by BIPSS.

Mr. Munir graduated from the Australian National University (ANU) with a Bachelor of Arts in International Relations and Security Studies. He subsequently completed a Master of Science in Strategic Studies and a post graduate diploma in Counter Terrorism Studies from the S. Rajaratnam School of International Studies (RSIS) at the Nanyang Technological University in Singapore, where he was a RSIS scholar. His MSc. dissertation looked at a comprehensive Counter Terrorism strategy for Bangladesh. He has subsequently attended executive education programmes at the John F Kennedy School of Government (HKS) at Harvard University on 'Counter Terrorism and Global Security' and 'Leadership in the 21st Century'.

In 2016, he was awarded the prestigious Distinguished Humphrey Leadership Award fellowship by the US Department of State. As part of the fellowship he was a Distinguished Humphrey Fellow at the John Sloan Dickey Center for International Understanding at Dartmouth College in Hanover, New Hampshire.

Mr. Munir is currently the Assistant Editor of Peace and Security Review, a quarterly academic journal published by BIPSS. He is the Associate Editor of Peace and Security Review, a quarterly academic journal published by BIPSS. He is also an external reviewer for the Journal of Policing Intelligence and Counter Terrorism published by Macquarie University in Australia.

List of chairs

1. Brig Gen Mohammad Shahedul Anam Khan, ndc, psc (Retd.)
Associate Editor, The Daily Star
2. Dr. Fahmida Khatun
Executive Director, Center for Policy Dialogue (CPD)
3. Barrister Manzoor Hasan OBE
Executive Director, Center for Peace and Justice, BRAC University
4. Ms. Ayesha Kabir
Consulting Editor, The Prothom Alo English

Abstracts of the papers presented by speakers

The Belt and Road Initiative: Common Regional Challenges

Mr Hernaikh Singh

The Belt and Road Initiative (BRI), previously known as the 'One Belt, One Road' is an ambitious infrastructural plan by China. The 'Eurasian' plan aims to connect Asia and Europe through the land-based 'Silk Road Economic Belt' and the sea-based 'Maritime Silk Road'. The BRI plan covers more than 60 countries, with a population of over four billion and involves several land-based 'corridors' and sea routes as well.

China has projected the BRI as a global public good, with the aim of increasing connectivity, enhancing trade and economic relations, and expanding people-to-people ties among the countries along the BRI. However, the BRI has attracted considerable scrutiny and criticism as it is seen as China's grand strategy of extending its sphere of influence and of achieving great power status.

This paper examines the extent and level of involvement of the countries of South Asia and Southeast Asia in the BRI. It also highlights some of common concerns faced by these countries arising from their participation in the BRI.

Infrastructure and the prospects of Development in BRI

Dr. LIN Minwang

To promote Regional Connectivity is an important goal for the Belt and Road Initiative (BRI). In this regard, infrastructure construction plays the most crucial role. Based on China's own economic development experience, China has paid special attention to regional infrastructure construction in BRI. South Asia is a key area for BRI. In this region, China has engaged in the construction of many big infrastructure projects. These projects will likely provide significant impetus to regional economic development in the future. However, due to the geopolitical competition from other countries outside of South Asia and the internal political instability of South Asian countries, the infrastructure construction for BRI will likely face many challenges. This study will focus on the geopolitical implication of large-scale infrastructure projects in BRI project in South Asia, assessing the significant impacts it may have on the region and the world, and making a brief assessment of the future.

BRI & Its Strategic Significance

Dr. ZHANG Jiadong

BRI is not China's new geopolitical and economic strategy in the face of an American pivot to Asia. Actually, lots of parts in BRI have been implemented for lots of years before its birth. BRI is not just a vision for a new wave of globalization, even the rise of populism and protectionism in the West gave BRI more substance. Even with lots of features as a strategy and a version, but BRI is still not a defined strategy or clear version. BRI is a process that has been transformed from an initiative solely focused on infrastructure to comprehensive one (industry, tech, cultural and environmental components), shifted its focus from the historic Silk Road region to the entire globe, and adapted its focus from economic development to constructing a community of "shared destiny for all mankind". Even BRI is not a defined strategy and a clear version, BRI does have lots of strategic significance in terms of national, regional, and global level. In national level, BRI will help China to upgrade its economic structure, to develop its western part of territory, to ensure its energy security. In regional level, BRI will help relevant countries and regions to strengthen regional economic integration, to narrow gaps between different countries, and finally to help relevant counties to develop their macro economy. In global level, BRI will play important role in promoting global governance, preventing de-globalization, and

building a multi-polarizing global currency and financial structure. Shortly, BRI is helping the world more stable, more equal, move peaceful, and more prosperous.

Sustainability Issues around BRI

Ms. Divya Hundlani

China's Belt and Road Initiative (BRI), which spans over 60 countries, can be expected to play a leading role in shaping the international practice of sustainable and 'green' development, particularly in emerging economies like Sri Lanka. As China positions itself as a global economic leader through major investments in BRI countries, it is also using these investments to promote itself as a global leader on key environmental issues like sustainable, 'green' economic growth and climate change. President Xi's support of the Paris Agreement; the prioritization of "green and low-carbon infrastructure construction" in the 2015 plan 'China's Policies and Actions on Climate Change'; and the detailed social and environmental frameworks to guide investment decisions for the BRI investment institution, the Asian Infrastructure Investment Bank (AIIB), all signal China's commitment to implementing a sustainable and green BRI.

This paper examines the opportunities and challenges Sri Lanka may face in implementing sustainable, green BRI projects. The paper identifies examples from Chinese investments in Sri Lanka to assess the opportunities for sustainable development which could be gained through enhanced foreign direct investment inflows, innovative technology transfers, and the development of key infrastructure. It also identifies several environmental risks associated with BRI projects in Sri Lanka, such as increasing carbon and greenhouse gas emissions, ecosystem degradation, and a move away from renewable energy sources. The paper then discusses Sri Lanka's vulnerability to these risks, stemming from a lack of clear standards and technical know-how, as well as limited financial resources. It finally considers how Sri Lanka should position itself to protect sustainable development and promote green economic growth, by formulating and strengthening local environmental standards, improving access to information, and facilitating risk reduction processes.

The Belt and Road Initiative: The Future of Globalization

Mr. Madhu Raman Acharya

China's Belt and Road Initiative (BRI), also known commonly as One Belt One Road (OBOR), offers transformative opportunity in promoting global connectivity and regional economic integration. Together with China's massive engagement abroad in terms of trade, investment, contracts and in political relations, the OBOR constitutes a geopolitical grand strategy that creates both challenges as well as opportunities for South Asia. China already has strong economic relations with each of the countries in South Asia, with a huge trade surplus and massive investment and robust involvement in construction of big projects in each country. For South Asia, economic incentives available from the OBOR outweigh its geopolitical or strategic dimensions. However, the OBOR's success will depend upon how the perceived or real strategic and geopolitical objectives and apprehension of the increasing Chinese footprint in each of these countries are addressed in a transparent and accommodative manner. Together with emerging issues in global governance, the environment of uncertainty, including the disarray in multilateralism, superpower rivalry, backlash against globalization, return of geopolitics and emergence of protectionism and trade war can also affect the success of the OBOR.

The success of the OBOR will depend on an environment of strategic trust between China and participating countries. Venture of this big nature cannot succeed as a one-way street. Rather it should have continuous engagement between China and all the participating countries. The issue of transparency in deals and that of debt issues should be handled through a multilateral exercise, rather than between China and the individual participating countries. The hype of debt trap should also be addressed pragmatically. Projects should be selected on the basis of economic viability than on political preferences of the individual leaders and governments in the participating countries and strategic objectives of the investing country. It should focus on connecting the dots establishing the missing links between China and South

Asia as well as that between South Asia and other regions, through connections in road network, sea connectivity, trans-regional pipelines and transmission lines.

If the South Asian countries do not start engaging China collectively, China will continue to deal with each of them bilaterally. They should consider bringing China as a Strategic Partner in the SAARC and possibly as Dialogue Partner in the BIMSTEC so that they can deal with China collectively in an open and transparent environment partner. In any case, the OBOR seeks to complement the regional integration process through these blocs, not counter or replace them. The South Asian countries should not aim to counter India using the OBOR, something that complicates the already tense strategic competition in the region between the two countries. Rather they should work collectively together with India so that India can be on board. If India can work together in the BRICS and AIIB with China, there is no reason as to why India's concerns on the OBOR cannot be addressed. Both China and India are aware that this project cannot succeed without an effective cooperation between them.

For Nepal, the issue of rail and road connectivity between South Asia and China and development of north-south corridors linking China and India via Nepal will constitute an important milestone in reviving the traditional entrepot significance of the country through its participation in the OBOR. However, the divided political opinion, geopolitical imperatives and the modality of financing as well that of the debt are something that need to be addressed beforehand.

People -to -People Contact Under BRI: Potentials for Cooperation

Mr. Shafqat Munir

Chinese President Xi Jinping introduced the Silk Road economic belt back in September 2013. The Silk Road economic initiative was primarily perceived as a pathway to achieving economic goal. In years, the initiative has proven to be more than a vehicle of achieving a collective progress.

The Belt and Road cooperation agreement includes 80 countries and organizations, conducted industrial capacity cooperation with over 30 countries, and built 75 overseas economic cooperation zones in 24 countries. Although economic development is one of the priorities of the Belt and Road Initiative the dreams and aspiration of the people had always been at the center of the initiative.

The infrastructural development in many countries who embraced BRI reflects the ambition of the people. Infrastructure development will continue to be the main focus of the developing nations. Thus, the interaction between developing countries and other nations is a top priority for infrastructure development. As any kind of development initiative needs participation of the people.

This presentation elaborates on the importance of the people to people contact. Amongst the countries in BRI, there are countries that got historical ties with China. The historical ties were established through the free flow movement of people. The initiative is depending on cultural diverseness, exchange of ideas and developing a strong bond among people across the countries for its success. In recent years, the BRI is now delivering some of its promises. Through infrastructural development, the communication between nations is becoming easier. Many different initiatives had already been taken such as student exchanges programs, through cultural exchange programs along with inter-agency coordination between the governments. However, the initiative has a long way to go as most of the benefit must aid the common people across the continents. The promise of progress must include the dreams and aspirations of the common people as we look beyond the regional cooperation across the continent.

Understanding the Concept and Vision of BRI: The Economic, Cultural and Historic Perspectives

Dr. Lailufar Yasmin

China's wisdom contributed to the world's development—Belt and Road Initiative (BRI) is articulated as 'project of

the century' by President Xi Jinping. BRI is a break from the Chinese past of Deng Xioping's avowed proclamation of 'biding time, hiding intentions' and showing that China has matured to take up the mantle of global leadership. Such a global infrastructural plan overshadows any such deed of its kind in history. Despite that, China's economic leadership has an innate concern of establishing security and prosperity for all, not only for China. Thus, the development strategy of 'growing together' does not only involve economic ambitions but also aims to address to remedy a fundamental fallacy of the current world order—transition of power leads to war. BRI is aimed to prevent strategic conflict among great powers or as widely apprehended by western scholars as Thucydides trap. Thus, it creates a web of win-win functional relations for the participants. This keynote paper unveils the strategic significance of the concept of BRI as well as its historical, economic and cultural perspectives. In doing so, it argues how BRI challenges the western power-transition theory and the idea that competition in international relations generally brings in conflicts and instability. Instead, the BRI has the potentiality to show that development does not necessarily have to be a lone journey; having friends and neighbors together in the journey makes the destination closer.

BRI & It's Relevance to South and South East Asia

Mr. Sholto Thomas Brynes

The BRI ought in principle to be welcomed by everyone who values increased trade and connectivity. It also clearly answers a need: the Asian Development Bank estimates that developing countries in Asia need to invest \$1.7 trillion per year in infrastructure from now until 2030 if the region is to maintain its growth momentum, eradicate poverty, and respond to climate change.

It also ought to be unexceptionable that the BRI is clearly of benefit to China. Half of all international development aid is "tied", meaning that recipient countries must use it to buy goods and services from the donor nation - and the BRI is not aid but a partnership willingly offered.

Yet quite apart from questions about what the BRI actually is - a formal definition has proved elusive - there is huge suspicion about it in South and Southeast Asia. Many consider it a debt trap and a way for China to gain both economic and geo-strategic power in Asia and beyond.

While recognizing both the reality of China's rise (or, more properly return) and its right to do so, how can both sides ease each other's concerns and ensure that the initiative truly brings win-win results for all involved?

Media coverage



BRI: Design of the century, or debt trap?

Ayesha Kabir | Update: 13:05, Sep 17, 2018

Dubbed as 'design of the century', the Belt and Road initiative generates both awe and apprehension in South and Southeast Asia, and the rest of the world too. It is on one hand seen as a conduit for peace and cooperation, inclusiveness,

mutual learning and connectivity, and there is trepidation among certain quarters about China's motives behind the project, on the other.

Such views were expressed at the 'Asian Regional Conference on Belt and Road Initiative: Prospects and Challenges' held in Dhaka on 12-13 September. Organised by the Bangladesh Institute for Peace and Strategic Studies (BIPSS), it was attended by experts from China, Malaysia, Singapore, Sri Lanka, Nepal and Bangladesh.

"The Belt and Road Initiative (BRI) brings forward new prospects for cooperation in South Asia," China's ambassador to Bangladesh Zhang Zuo told the inaugural ceremony of the conference. He said South Asia and Southeast Asia are like a family and this initiative is win-win cooperation for a shared future.

The fervour of the old silk route has been revived by China in a "leaderless" world, Lailufar Yasmin, deputy director of Bangladesh Institute of Law and International Affairs (BILIA), said detailing the concept and vision of BRI and its economic, cultural and historical aspects.

The silk route, she added, was the beginning of globalisation which had been disrupted by colonisation in the 19th century. The spirit of the Silk Road - peace and cooperation, openness and inclusiveness, mutual learning, mutual benefit - was reflected in BRI, she pointed out.

Dispelling fears and apprehensions about the 'real' motives behind the initiative, especially if China is trying to be like the former Soviet Union. Lailufar Yasmin observed that powerful persons and contingents from China, while travelling the world over, had never shown any intention to colonise.

Emphasising the importance of educational exchange, cultural exchange, tourism, youth contact for promoting people-to-people contact, research fellow of BIPSS and head of the Bangladesh Centre for Terrorism Research (BCTR), Shafqat Munir insisted that people lay at the heart of connectivity and BRI is a people-oriented vision.

He added that BRI passed through several conflict zones in the region, but that should not be seen as a hindrance to the concept. "In fact, the initiative can assist in lessening the conflict."

BRI could also be an opportunity for sustainable 'green' development, said Divya Hundlani, research fellow of Lakshman Kadirgamar Institute, Colombo. China, according to a 2015 study, has invested \$400 billion in green sectors.

Chinese investment in Sri Lanka began in 2005 and the Hambantota Port is a major Chinese investment. There were concerns such as ecological impacts of construction, dredging, air pollution. The conference was told that the steps needed to ensure a sustainable green BRI in Sri Lanka included enhanced FDI inflows to innovative technology transfer, targeting the use of green finance and green bonds from China and limiting investments to sustainable infrastructure.

"We know only one thing about China - we don't know China well," Madhu Raman Acharya, former foreign secretary of Nepal quoted former US secretary of state Henry Kissinger at the beginning of his deliberation on the Belt and Road Initiative: Future of Globalisation.

"The Silk Road has always mesmerised us as an ancient form of globalisation. The Chinese are used to thinking big. It has some of the biggest projects in the world, like the Great Wall of China," said Acharya, who had also been Nepal's ambassador to Bangladesh.

Referring to other parallels of the Silk Road in South Asia, he pointed to Sher Shah Suri's Grand Trunk Road which stretched all the way from Dhaka to Delhi and Lahore and on to Kabul. "But now we are a truncated, less integrated region," he said.

Terming BRI as a global project, the former ambassador said 'inclusive globalisation' was supposed to correct mistakes of previous neo-liberal globalisation. "It gave an alternative vision for globalisation."

China's benign role in the initiative was emphasised by the fact that all five pillars of BRI -- policy coordination, connectivity, trade, financial integration, and people-to-people contact -- seek to promote globalisation. BRI is said to

have a soft power dimension with China as major driver of globalisation.

Acharya emphasised that BRI had no reform conditionalities and no strings attached; it focussed on big investment in infrastructure, connectivity and trade. It is an alternative model for financing.

Detailing the opportunities that the initiative offered, he said BRI would help meet infrastructure gaps, connect countries' supply and value chains and increase trade.

However, there is uncertainty of a cooperative international environment as populism and nationalism, as manifested in protectionism and the ensuing 'trade war', posed threat to global cooperation.

There are concerns about China's increasing footprints, the hype of 'debt trap', unstable economic and political situation in the participating countries, its route that passes through geopolitically complex and security-wise sensitive countries. Then the question arises: Can the BRI bubble last?

There were elements that could boost the success of BRI, Madhu Raman Acharya listed: Strategic trust and confidence between important powers, creating a multilateral exercise rather than a two-way street between China and individual countries, avoiding "vanity projects" and ensuring non-cancellation of projects.

The participating countries, Acharya said, should also ensure economic viability versus political preference, avoid hype of strategic objectives and debt trap, make objective assessment of risks, avoid geopolitically sensitive projects, make plans for operationalisation and debt repayment, avoid fear of rise of China, rather seek to maximise the transformation opportunities from BRI.

On China's part, as suggested, it should address the vagueness of the road and belt as much as 'lost in translation'. It must ensure transparency, dispel the myth of 'debt trap transparency', ascertain the debt readiness and credit worthiness. The BRI should be a multilateral exercise, have complementarity with regional initiatives and avoid strategic competition.

China, experts insist, must distinguish between Sino phobia/anti-BRI propaganda and the genuine concerns and address these concerns one by one, ensure fair rules and international standards in deals, take into account environmental and equity concerns in BRI projects, connect the dots and remove the bottlenecks in connectivity, improve contract awarding procedures- make it open to non-Chinese companies and provide more trade concessions to participating countries to bring down trade deficit.

Professor Zhang Jiadong of International Relations at Centre for South Asian Studies, Fudan University, China, said that basically BRI had economic significance. "Many people see BRI as Chinese strategy, but it is not a 'strategy', it is an initiative. BRI is not just a vision for a new wave of globalisation. It is not a defined strategy or clear vision. It is a process shaped by China and interaction between China and partners and non-partners. Even the name is a process evolving with time. It was initially OBOR (One Belt One Road), and now is BRI."

"Not all countries welcome BRI. They say it is China's neo-colonialism. But that is not at all so. However, everything has some strategic significance, not just for China, but for the region."

Professor Zhang Jiadong enumerated BRI's strategic significance at regional level that encompassed connectivity of national infrastructure and promotion of regional integration which included free trade talks and soft integration, such as visa exemption agreements with 46 BRI countries.

It was observed that BRI is also significant at a global level when anti-globalisation and trade prohibition is rising. Its impact is bound to change traditional geo-economic projections.

Sholto Byrnes, senior fellow at ISIS Malaysia, pointed to the positive effects of BRI that had already emerged in Kunming, along the Singapore rail route where homes, a theme park, hospitals and more were appearing. He said there was the high speed railway to Indonesia and China was also constant friend to Phnom Penh. With Pakistan it had the massive

CPEC project, the conference was told. It has signed deals involving investment of around \$40 billion with Bangladesh. BRI is fluid in nature.

India may not have joined the BRI, but it could in effect participate in the initiative.

Byrnes said investment creates jobs and new infrastructure as a game changer, and draws in tourists and highly skilled professionals from around the world. The region badly needs investment and infrastructure.

He said BRI is termed by some as a debt trap, with Sri Lanka as an example, where some said it meant selling sovereignty to China. Chinese projects meant Chinese workers, equipment, loans, not gifts or FDI.

It was recommended that in order to allay such suspicions, China can correct perceptions, explain more, elaborate on how many jobs BRI will create and emphasise that BRI is part of the Asian Century.

Dwelling on infrastructure and prospects of development, Lin Minwang, associate professor and deputy director of Centre for South Asian Studies (ISAS), Singapore, referred to China's new diplomacy where it held Afghanistan peace talks and corroborated with the Middle East.

Lin Minwang saw Asia as a community of common destiny. The neighbours expect China to be more active in the neighbourhood and there is an impact of China's policy in Asia. Japan has found it difficult to accept China's rising. China's economy used to be 10 per cent of Japan's GDP and in 30 years had become 201 per cent of Japan's GDP. It is a superpower in terms of economy.

Hernaikh Singh, senior associate director, NUS Institute of South Asian Studies (ISAS), Singapore, compared the initiative to a dinosaur. Everyone watches it in both awe and apprehension.

There were common regional challenges. India is the biggest critic of BRI as well as CPEC (China-Pakistan Economic Corridor). Sri Lanka was boycotted internationally in their post-war period and that was when China stepped in with its investment. China has investment in Bangladesh, in Afghanistan and more.

In Southeast Asia, Singapore and China's cooperation and connectivity is already working. Thailand since 1975 has economic relations with China and Malaysia, despite certain hitches.

The Silk Road already existed and has been recreated in the form of BRI, a concept of President Xi Jinping who called it the project of the century, said BIPSS president Muniruzzaman, rounding up the two-day conference. It, he said, is a project of peace and cooperation with the same spirit as the Silk Road.

A total of 71 countries have joined the initiative. China has already invested \$900 billion in the project. The maritime Silk Road is about global maritime connectivity and BRI will reshape the maritime connectivity of the Indian Ocean region, he said.

Muniruzzaman, a retired Major General, said although BRI is a people centric initiative, there is a lack of strategic trust, a deficit to be worked on. China needed to engage countries, powers, people, address the key concerns about BRI, underpinnings of globalisation.

As to references of the debts traps, he pointed out that debts were not imposed, they were also taken by the recipient countries. Ironically, no such accusations were levelled against IMF or any member of the Bretton Woods system. It became an issue when the loans came from China.

There is need for better articulation of the strategy of BRI to address fear and suspicions. At the same time, it needs to be clear that BRI is not China's project, it is a collective project. It is not a military endeavour, but aimed at economic development.

<https://en.prothomalo.com/opinion/news/183514/BRI-Design-of-the-century-or-debt-trap>

Dhaka Tribune

India urged to be more cooperative with BRI

Md. Saidum Nabi Published at 01:39 am September 13th, 2018

'The regional development move launched by China is arguably one of the greatest trade connectivity and infrastructure projects in the world'

India is not convinced by the future of the Belt and Road Initiative (BRI) and could be withholding its support because China is driving the development master plan for the Asia region, analysts said on Wednesday.

The uncertainty was voiced at the "Asian Regional Conference on BRI: Prospects and Challenges" organized by local think-tank Bangladesh Institute of Peace and Security Studies (BIPSS) at a hotel in Dhaka on Wednesday.

"The regional development move launched by China is arguably one of the greatest trade connectivity and infrastructure projects in the world," the BIPSS president, Maj Gen (retd) ANM Muniruzzaman, said.

"It involves a mammoth investment, with China mulling over funding of \$3 trillion. (But) India says it is not sure about the long-term plans (and) this is a reason for it being detached from the development scheme.

"The shortcomings in infrastructural development in the Asian region are so severe that not a single country is capable of resolving the problems, both in terms of funding and regional support."

Dr Lalilufar Munir, Professor of International Relations at Dhaka University, said India might have been calculating its possible outcomes through a win-loss theorem.

"Since the BRI was initiated by China, India is not coming forward since it has an ego problem over authority in the project," she said. "India is not considering joining the platform since it will have to work under China as a secondary power."

The BIPSS chief hoped that India will change its stance as the BRI - previously known as One Belt One Road mega project - will not just help a single country benefit.

"There are still chances that India will join the BRI network some day as it is indirectly working on different issues related to the move," he said. "The BRI will significantly cause the economy in the South Asian countries to boom."

Madhu Raman Charya, a former diplomat of Nepal, said the BRI is a gateway to a wider regional development and will help India to benefit in the long run.

The Chinese ambassador to Bangladesh, Zhang Zuo, attended the seminar as a chief guest.

<https://www.dhakatribune.com/bangladesh/.....2018/09/13/india-urged-to-be-more-cooperative-with-bri>

NEWAGE

Asian countries urged to make Chinese BRI a success

Two-day regional conference ends today

Staff Correspondent | Published: 00:27, Sep 13,2018 | Updated: 00:30, Sep 13,2018

Asian countries should forget their differences to rally around China's belt and road initiative for regional development, peace and prosperity, said participants in a regional conference on Wednesday.

The initiative, they said, promised to open up so many windows of opportunities for economic development that it should not be ignored at all.

Countries which opposed the initiative did so only out of egotistical issues, they observed on the first day of the two-day event at a Dhaka city hotel.

'Not many countries in the world can offer to make such huge investment in building infrastructure to facilitate economic development,' said Major General (Retd) ANM Muniruzzaman, president of Bangladesh Institute of Peace and Security Studies, which organised the conference.

'The power of the belt and road initiative lies in its spirit of openness. It is open to all,' he noted.

The participants at the end of the day's sessions met with journalists in the afternoon.

Bangladesh Institute of Law and International Affairs deputy director Lailufar Yasmin said that India was opposing the initiative just for the sake of opposing China.

'India is not ready to accept China's leadership in the region. Its decision to oppose the initiative is egotistical,' Lailufar commented.

'But India would have to come around eventually,' she added.

Fudan University associate professor Lin Minwang said India's opposition rather helped China get support from many South Asian countries.

'Due to the Indian opposition, Chinese investment is increasing in South Asian countries, including Bangladesh,' observed Lin.

The Chinese speakers, however, faced criticism from journalists as China had repeatedly stalled the United Nation's moves to take action against Myanmar over the persecution of the Rohingyas.

Asked why Bangladesh should help China establish the BRI given its stance against resolution of the Rohingya crisis, Fudan University professor Zhang Jiadong said that China was very careful about 'issues of other countries.'

He said that the issue should not stand in the way of implementing the BRI.

Former foreign secretary of Nepal Madhu Raman Acharya expressed the hope that India and China would find a way to come together for the sake of regional development.

Chinese ambassador Zhang Zuo spoke at the inaugural ceremony.

Divya Hundlani, research fellow at Lakshman Kadirgamar Institute, Sri Lanka, and Sholto Thomas Scettrino, senior fellow, ISIS, Malaysia also spoke at different sessions on the day.

Bangladesh was slated to get \$40 billion for infrastructure development and investment under the BRI, said the speakers.

They said that the biggest challenge for Bangladesh was to ensure transparency while spending the money.

<http://www.newagebd.net/article/50472/asian-countries-urged-to-make-chinese-bri-a-success>



'Handle BRI challenges carefully'

Staff Correspondent 13 September, 2018 12:00 AM

Researchers on Wednesday underscored the need for dealing with the challenges of Belt and Road Initiative (BRI) with carefully to facilitate the highest project of the century.

They also demanded that India should join the initiative as an economic partner of China.

The suggestions were made at a press conference organised by Bangladesh Institute of Peace and Security Studies (BIPSS) at the two-day Asian Regional Conference at Radisson Dhaka Blu Water Garden in the city on Wednesday, said a press release.

"We have discussed the different aspects including negative and positive sides and challenges of the mega economic project with Southeast and South Asian partners including Singapore, Malaysia, Nepal, Sri Lanka and China," they said.

BIPSS platform President Major General ANM Muniruzzaman said that 'Belt and Road Initiative' is inclusive initiative where anyone in south and Southeast Asia can join the initiative and it will economically benefit the partner country.

Bangladesh has huge prospect to be benefited financially being the part of the three trillion projects that is termed 'Project of the Centenary' as among six economic corridors; four land and two marine, one of marine corridors is planned to cross Bangladesh to reach Kolkhata of India, he added.

"I hope Bangladesh government will successfully overcome the challenges to reap the benefit of the biggest initiative," said Dr. Lailufar Yesmin professor of International Relation of university of Dhaka.

Discussants said that India is not joining the initiative for its egoistic approach. Chinese has been pursuing India including investing in India.

Fomer Diplomat of Nepal to Bangladesh Madhu Raman Acharya, Research Fellow Lakshman Kadirgamar Institute, Colombo Sri Lanka Divya Hundlani, Professor of International Relation Fudan University, china and Dean BRI institute of Strategy Dr. Zhang Jiadong, Senior Fellow ISIS Malaysia Shotto Thomas Scettrino Byrnes, Associate Professor and Deputy Director of center of for South Asian Studies, Fudan University Dr. LIN Minwang spoke at the press conference.

Chinese Ambassador to Bangladesh Zhang Duo said, China, South and Southeast Asia share the goals to maintain world peace and safeguard regional development. So we need to jointly put into a practice shared, comprehensive, co-operation and sustainable security approach so as to promote universal security.

<http://www.daily-sun.com/printversion/details/335638/2018/09/13/'Handle-BRI-challenges-carefully'>

About BIPSS

Bangladesh Institute of Peace and Security Studies (BIPSS) is a leading institute in Bangladesh for informed analysis on all aspects of broad spectrum of peace and security studies in the region and beyond. It is a non-party, nonprofit organisation and independent think tank which provides significant platform for the leading strategic thinkers, academics, members of civil society, former members of the foreign and armed services and media persons to chalk out a comprehensive framework for peace and security issues. The Institute is headed by the President of BIPSS, Major General ANM Muniruzzaman, ndc, psc (Retd). He directs and coordinates all research and administrative activities of the Institute. A team of highly qualified full-time researchers with varied social science background conduct research activities. BIPSS also maintains a pool of affiliated experts whom we engage frequently for different assignments.

BIPSS has also established two specialised centres within its framework named Bangladesh Centre for Terrorism Research (BCTR) and Bangladesh Centre for China Studies (BCCS). BCTR is the first centre of its kind in Bangladesh dedicated to the study and research on terrorism related issues. The Centre is headed by BIPSS President who has been engaged with various specialized centres on terrorism in the Asia Pacific region as well as other parts of the world. BCTR has been working in partnership with a number of international centres on terrorism research in South Asia, South East Asia, Europe and USA. On the other hand, Bangladesh Centre for China Studies (BCCS) has been established to understand, study and analyse Chinese Foreign Policy and Chinese strategic and security posture. It also aims to study Chinese economic advancement with a view to advocating greater economic and development cooperation between Bangladesh and China as well as China and the greater South Asian region.

BIPSS maintains an interactive website to inform, share and exchange knowledge and ideas to enrich the people who have a greater stake in peace and security. You are cordially welcome to visit our website at www.bipss.org.bd. You can also write to us to express your opinion via email atinfo@bipss.org.bd.

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