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Session Summary (No.78)

Boao Forum for Asia Institute

March 25, 2016

Session 42

21st-Century Maritime Silk Road: Islands Economic Cooperation Forum

Time: 10:00-12:00, March 25, 2016

Venue: Dongyu Island Hotel, Yiyong Ballroom

Moderator: Chi Fulin, President, China Institute for Reform and Development

Panelists:

LIU Cigui, Governor, Hainan Province

Owen BONNICI, Minister, Ministry of Justice, Culture and Local Government, Republic of Malta

Jenny SHIPLEY, Former Prime Minister, New Zealand

LIU Zhenmin, Vice Minister, Ministry of Foreign Affairs

Mr. Rishad Bathiudeen, Minister for Industry and Commerce, Sri Lanka

WON Hee-Ryong, Governor, Jeju Special Self-Governing Province, Republic of Korea

Chokdee AMORNWAT, Vice Governor, Phuket province, Thailand

LAW Heng Kiang, State Executive Councillor, Penang, Malaysia

WAN Min, General Manager, China COSCO Shipping Corporation Limited

ZHANG Yunling, Director, Academic Division of International Studies,



Chinese Academy of Social Sciences

Key points:

- The fundamental way out for island economies is to develop outward economy and integrate themselves into global market and international division of labor.
- The 21st Century Maritime Silk Road provides an effective platform for deepening cooperation among countries along it.
- The Belt and Road initiative serves as the artery for economies to strengthen their bond as well as the wide passageway for interpersonal communication, cultural integration and peace interconnectivity.
- Openness and interconnectivity is the precondition for and the bond facilitating the integration of island areas into the global market.
- Hainan is determined not to launch projects that affect the ecological environment.

Synopsis:

At the one-year anniversary of Chinese government issuing *Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road*, the Boao Forum for Asia 2016 hosted a special sub-forum. Guests from countries such as China, New Zealand, Thailand, Sri Lanka and Malaysia discussed heatedly on



topics such as how to jointly build the 21st Century Maritime Silk Road and new development opportunities for island economies; they also issued *Declaration of the 21st Century Maritime Silk Road Island Economies' Forum*.

In both the speeches made by guests and the declaration that was eventually approved by the forum, openness, cooperation and development were the words that were mentioned for the most times. All the guests believed that we should, via the platform of the 21st Century Maritime Silk Road, expand island cooperation and jointly build islands' community of shared destiny.

Strengthening Exchanges and Cooperation, the Practical Need of Island Economies

Island economies have inherent vulnerabilities. Usually, they face development barriers including simplex resources and endowment, small domestic market, high logistic cost, being far from the core economic circle and weak resistance against risks.

Participants argued that the fundamental way for island economies to overcome those barriers is to develop an outward economy and integrate themselves into the global market and international labor division.



YUAN Xilong said that the Belt and Road initiative that the Chinese government is vigorously promoting serves as the artery for economies to strengthen their bond as well as the wide passageway for people-to-people communication, cultural integration and peace interconnectivity.

Owen BONNICI said that exchanges between tourism destinations in the region is the necessary path leading to co-existence.

LIU Zhenmin expressed his view as follows: The 21st Century Maritime Silk Road provides an effective platform for deepening cooperation among countries along it. It will play a big role in development strategies coordination, infrastructure interconnectivity, trade and investment facilitation, expansion of investment and financing channels, and promotion of tourism.

Developing a Community of Common Development and Valuing Both Economy and Ecology

Participants all expressed the wish for cooperation and offered concrete advice in line with the actual conditions of their own country.

LIU Cigui made the following observation: Islands can better work together in six areas, namely, advancing interconnectivity, strengthening industrial cooperation, deepening marine cooperation, building demonstration zones of marine ecological civilization,



promoting cultural and interpersonal cooperation and building a platform for regional exchanges and cooperation. Islands can jointly build a community of shared destiny.

Jenny SHIPLEY made five cooperation proposals: building a high-level e-commerce platform, building a logistic channel, formulating more inclusive marine policies, fostering industries and developing marine resources.

WON Hee-Ryong, expressed his view as follows: Jeju province is willing to be a springboard and strengthen its cooperation with regions along the maritime Silk Road in aspects such as policy communication, infrastructure, national trade and financing.

Openness and interconnectivity is the precondition for and the bond facilitating the integration of island areas into the global market.

Chokdee AMORNWAT made the following suggestion: Countries along the maritime Silk Road should implement the infrastructure interconnectivity plan and jointly advance the development of international transportation arteries so as to develop an infrastructure network that can connect other sub-regions in Asia.

WAN Min made the following point: A modern marine logistics industry is the foundation to develop island economy. For island economies to bring into play their comparative advantages, they have to



have the full participation and integration of marine logistics enterprises. Island economies need to strengthen their relationship with neighboring regions to fully integrate into the Belt and the Road.

Tourism industry is the strength of islands. Owen BONNICI, LAW Heng Kiang and the Thai panelist and Sri Lanka panelist mainly introduced characteristics of their local tourism feature. They offered concrete advices on strengthening tourism industry cooperation between island economies so that they can work together to thread pearls scattered across the ocean into beautiful necklaces.

ZHANG Yunling made a suggestion on tourism development: The tourism card pilot for island along the maritime Silk Road should be rolled out as soon as possible so as to achieve tourism interconnectivity among island residents, which will enable tourists to enter and exit different islands freely.

LIU Cigui expressed the following view: While islands are seeking faster development, they must protect the ecology at the same time. Islands are an important part of the world ecology. Joint efforts should be made to maintain the ecology on islands so that their ecological GDP will not be decreased. Hainan is determined not to launch any project that affects the ecology.