



Boao Forum for Asia Annual Conference 2018

Session Summary (No. 8)

Boao Forum for Asia Institute

April 9, 2018

Session 4

21st Century Maritime Silk Road : Islands Economic Cooperation

Time: 9:00 a.m. - 10:15 a.m., April 9, 2018

Venue: ICC, Level 1, Dong Yu Grand Ballroom D

Moderator:

James Edward Randall, co-holder of the UNESCO Chair in Island Studies and Sustainability, University of Prince Edward Island

Panelists:

SHEN Xiaoming, , Governor of Hainan Province, China

CHEN Xiaodong, Assistant Minister of Foreign Affairs

Vira Rojpojchanarat, Minister of Culture, Thailand

Willy Ørnebakk, Chair of Troms County Government, Norway

Jose Chaves Alvarez, Governor of Palawan Province, Philippines



Chi Fulin, President of China Institute for Reform and Development

Godfrey Baldacchino, co-holder of the UNESCO Chair in Island Studies and Sustainability, University of Malta

Key points:

- The closed economy will be abandoned by history. The right way for the island economies to achieve win-win development is to promote the construction of the community of common destiny in the spirit of peaceful cooperation, inclusiveness, opening up and mutual benefit.
- China welcomes the island economies in the world to grasp the opportunity presented by China's opening up, deepen exchanges and cooperation, and work together to create a new era of openness and inclusiveness, mutual benefit and win-win result under the framework of the "Belt and Road" Initiative.
- China's Arctic Policy White Paper is consistent with the views of many Arctic countries.
- Hainan should look beyond the South China Sea and find its own niche in the global economic landscape.
- The mutually beneficial and win-win cooperation between Malta and China under the framework of the "Belt and Road" Initiative is a successful case of the "Belt and Road" Initiative.
- It is greatly expected that Hainan will open wider to the world.
- We should give full play to think tanks in the Island Economic Cooperation along the 21st Century Maritime Silk Road.



Synopsis:

The “Belt and Road” Initiative has yielded fruitful results; China’s development has entered a new era. With the theme of "The New Era of Cooperation: the Inclusive Development of the Island Economy", the forum exchanges the practice of cooperation and development in the island region, explores new ideas for the development of the island economy, and promotes inclusive development of the island economy. Under the principle of expanded consultations, joint building and shared benefits”, we should encourage more island economies to engage in 21st Century Maritime Silk Road.

Opening Up Brings Progress, and Closeness is Bound to End Up With Backwardness

In the discussions, SHEN Xiaoming said that the world is in a historical process of rapid development, and Hainan, like other island economies, also faces problems such as fragile environment, small internal market and talent shortfall. Today, the world faces many challenges posed by unconventional issues such as the instability of the world economy, climate change, energy and resource security, food security and so on. No island economy can develop while isolated, and the security and development of all islands are interrelated. Those who stand still and do not open their mind will be eliminated in the tide of history.

SHEN Xiaoming also put forward five pieces of important suggestions in strengthening communication and deepening mutual benefit cooperation for a better future in the island region. First, continue to promote connectivity. It is crucial for islands as separate geographical units to connect with the outside world. Seizing the opportunities presented by the Pan-South China Sea



International Trade and Shipping Hub, Hainan is vigorously promoting the connectivity in air and the sea with the Belt and Road countries.

Second, continue to promote industrial cooperation. In recent years, Hainan has achieved remarkable economic and social development, and has entered the rising channel of accelerated development. Hainan boasts the prominent advantages and potentials in developing strategic emerging industries and high-tech industries. Hainan will work together with the island countries and regions along the 21st Century Maritime Silk Road, integrate the resources of talent, technology and production capacity, give full play to their own advantages, promote practical cooperation in various fields and achieve mutual benefit and win-win results.

Third, continue to promote cultural exchanges. Island countries and regions should encourage multi-level and institutionalized cultural and people exchanges in a wide range of fields and form a diverse mechanism for cultural exchange that provides mutual help.

Fourth, continue to jointly cope with global challenges such as climate change. Climate change is a common challenge faced by humanity. Global warming, rising sea level, and frequent extreme weather are affecting both developed and developing countries to varying degrees. And the island economies are hit the hardest. In recent years, Hainan has been actively coping with the challenge of climate change, pursuing green and low-carbon development, and implementing the strategy of energy conservation through policy encouragement, increasing investment and other measures. Hainan hopes to strengthen cooperation with the island economies, countries and regions and share experience in environmental protection so as to make joint efforts to protect the earth.

Fifth, continue to provide intellectual support for the inclusive development



of island economy. Hainan will play the role of the think tank alliance, explore the establishment of the Island Economic Research Information Center, and create a basic database for the global Island Economic Research. Hainan also welcomes more countries and regions to join and jointly expand the island economic network, and to make use of the platform of the Boao Forum for Asia to coordinate green, open and sharing development.

China Provides Support for the Mutually Beneficial Cooperation among the Island Economies

CHEN Xiaodong put forward four points for the inclusive development of island economies. First, connectivity is the premise; China participated in the Indonesian high-speed rail, the Malaysia railway, the Philippine Bridge and other projects. China welcomes more island economies to join and jointly build a sea channel.

Second, circulation is the driving force. China has signed FTA with many island economies such as Singapore, Maldives and New Zealand. China holds high the banner of free trade, endeavors to establish closer economic relations with relevant island economies, expand investment and financing channels to achieve common development and jointly build an open world economy.

Third, industrial training is the basis. Practice has proven that only by constructing products that are in line with their own characteristics and advantages, can island economies win a place in the international division of labor. Supporting the development of island economy tourism and commercial industry is also important content of the Belt and Road cooperation. Chinese tourists take Bali Island, Fiji and Maldives as major tourist destinations and bring high tourism revenues to the local people.



Fourth, the livelihood and well being of the people is the goal. Only by bringing happiness to the local people, can we have sustained vitality. To improve people's livelihood and wellbeing is the original aspiration of the "Belt and Road" Initiative. China and the island economies have jointly undertaken a large number of construction projects to provide more convenient and comfortable public services for the local people. In the cooperation with the island economies, China will carry out more livelihood projects that can bring tangible benefits to people so that more people will share the dividend of China's economic development.

Willy Ørnebakk said that China's Arctic Policy White Paper, published in January this year is consistent with the views of many countries in the Arctic Circle. The peaceful and prosperous development of the Arctic region must be based on internationalization and the sustainable development of natural resources, and a balance should be found between the economic development and the protection of the Arctic environment.

John AQUILINA said that Shanghai Electric Power invested in Malta and transformed an old energy utility into a modern public enterprise, which not only changed the source of energy, improved the environment, but also solved the problem of electric power in Malta. This is a typical win-win case of the "Belt and Road" Initiative.

The Opening Up of Hainan Will Not Stop

In the discussions, CHI Fulin said that the next step for Hainan is to open up and explore the establishment of a free trade port, after it celebrates its 30th anniversary of inauguration.

CHI Fulin suggested that we should give full play to the role of think tank in the Island Economic Cooperation of the 21st Century Maritime Silk Road.



Island economies are quite different from other inland economies. If they are not open, there will be no market or vitality.

CHEN Xiaodong said that Hainan is the only island province in China. This year marks the 30th year of the establishment of Hainan Province. In the past 30 years, Hainan has been relying on the reform and opening up. In the next 30 years, Hainan will continue to rely on the reform and opening up. Reform and opening up is a theme of inclusive development in Hainan. It is also a major starting point for the inclusive development of Hainan in the future.

CHEN Xiaodong said that Hainan Province is an important fulcrum of the 21st Century Maritime Silk Road and also an important frontier for China's cooperation with island economies. China's Ministry of Foreign Affairs will continue to support Hainan's cooperation with the island economies and make unremitting efforts to create mutually beneficial and win-win island economies.