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China's Vision of Blue Partnership: Convergence with India's Blue Economy Initiative?

China has come out with the 21st Century Maritime Silk Road (MSR) Vision, which has some elements different from its earlier Belt and Road vision, and it proposes to forge a 'blue partnership' along the MSR. India's Prime Minister Narendra Modi's government also has the vision of a blue economy. Both countries have several agreements which complement each other's ideas. This paper highlights the salient features and new elements of China's vision for maritime cooperation, and discusses the converging interests of India and China.

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Introduction

China's National Development and Reform Commission (NDRC) and State Oceanic Administration (SOA) issued a blueprint for the 21st Century Maritime Silk Road (MSR) titled "The Vision for Maritime Cooperation under the Belt and Road Initiative" on 20 June 2017.² This came a few weeks after a review of the progress of the four-year journey of the Silk Road Economic Belt and the 21st Century Maritime Silk Road – known as the Belt and Road Initiative

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² "Full text: Vision for Maritime Cooperation under the Belt and Road Initiative", *Xinhua*, 20 June 2017, retrieved from: http://news.xinhuanet.com/english/2017-06/20/c_136380298.htm.

(BRI) – at the Belt and Road Forum for International Cooperation in Beijing. Earlier, in March 2015, the NDRC, China’s Ministry of Foreign Affairs and Ministry of Commerce had, with the State Council’s authorisation, issued the “Vision and Actions on Jointly Building Belt and Road”.³ The Indian government has also laid out a comprehensive framework for India’s maritime engagement and articulated the vision of a blue economy.

This paper is divided into two sections. First, it highlights the salient features of the latest MSR blueprint and examines if there is any change from the March 2015 vision document. Thereafter, it examines the Narendra Modi government’s vision of a blue economy and discusses the potential for cooperation between India and China in the maritime domain.

Salient Features of the MSR Vision Document

The comprehensive MSR Vision document outlines the principles of cooperation, provides a framework of cooperation and lists the priority areas. It also provides information on the achievements so far.

First, the four principles include, apart from one, all those from the earlier document. While the earlier vision document talked about the Five Principles of Peaceful Coexistence (*Panchsheel* in the Indian political vocabulary) and the BRI’s alignment with the principles of the United Nations (UN) Charter, the MSR Vision has introduced a new element – “shelving differences and building consensus”. Accordingly, it calls for efforts “to uphold the existing ocean order” and adds that the “concerns of all parties involved will be accommodated, differences bridged, common ground sought and consensus achieved”. This document, however, has omitted one very important aspect – respecting the sovereignty and territorial integrity of countries. In fact, the “Joint Communiqué of Leaders Roundtable of [the] Belt and Road Forum”⁴ and Chinese President Xi Jinping’s keynote speech at the opening ceremony of

³ National Development and Reform Commission, People’s Republic of China, “Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road”, March 2015, retrieved from: http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html.

⁴ Ministry of Foreign Affairs, People’s Republic of China, “Joint Communiqué of the Leaders Roundtable of the Belt and Road Forum for International Cooperation”, 16 May 2017, retrieved from: http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1462012.shtml.

the Belt and Road Forum in Beijing on 14 May 2017⁵ mentioned *Panchsheel* and the principle of respect for territorial sovereignty, the UN Charter and international law. In a few weeks, this omission seems to mark a change.

Second, the framework of the MSR Vision talks about sharing the blue space (the waters of seas and oceans) and developing a blue economy. It visualises building platforms for maritime cooperation and developing “blue partnership” to foster “a path of harmony between man and the ocean” under five categories, namely, green development, ocean-based prosperity, maritime security, innovative growth and collaborative governance. More importantly, the Vision outlines three routes for the MSR – the China-Indian Ocean-Africa-Mediterranean Sea Blue Economic Passage; the Blue Economic Passage of China-Oceania-South Pacific; and the Blue Economic Passage to Europe via the Arctic Ocean. The Arctic Ocean route is a new addition to the earlier vision document.

Third, to build “a mutually-beneficial blue partnership”, the MSR Vision has envisioned new cooperative platforms and, more specifically, “demonstrative and inspiring cooperative projects”. It has outlined five priority areas for cooperation which include an extensive list of items under each priority area. Under the green development, it envisages mainly three broad areas – safeguarding the marine ecosystem’s health and biodiversity; promoting the protection of regional maritime environment; and strengthening cooperation in addressing climate change. It offers support and technical assistance to small island-states in adapting to climate change. It also recommends the formulation of MSR Blue Carbon Programme, the establishment of MSR Blue Carbon Forum and the compilation of MSR Blue Carbon Report. However, China has proposed all these areas after it is said to have “inflicted irreparable harm” on the maritime environment and “destroyed evidence of the natural condition of features in the South China Sea”.⁶ China must, therefore, recognise that a good vision document requires concrete and positive actions on the ground to make it acceptable to other countries.

With an objective to promote economic development and eradicate poverty along the MSR, the Vision conceives of ocean-based prosperity through enhanced interconnectivity and the

⁵ “Full text of President Xi’s speech at opening of Belt and Road forum”, *Xinhua*, 14 May 2017, retrieved from: http://news.xinhuanet.com/english/2017-05/14/c_136282982.htm.

⁶ Permanent Court of Arbitration Press Release, “The South China Sea Arbitration (The Republic of the Philippines V. The People’s Republic of China), The Hague, 12 July 2016. Retrieved from <https://www.pcacases.com/web/view/7>.

promotion of a blue economy. It outlines six priority areas for sustainably utilising marine resources, namely, enhancing cooperation on maritime resource utilisation; upgrading marine industry cooperation; promoting maritime connectivity; facilitating maritime transport; strengthening the connectivity of information infrastructure and networks; and participating in Arctic affairs. Some new ideas in this section are pairing sister ports, forging port alliances, providing public platforms for information sharing and China's willingness to promote collaboration in Arctic affairs.

To safeguard maritime security *per se*, the MSR Vision proposes several initiatives under five key areas – strengthening cooperation in maritime public service; cooperation on maritime navigation security; conducting joint maritime search and rescue missions; jointly enhancing capabilities to prevent and mitigate marine disasters; and strengthening cooperation in maritime law enforcement. On cooperation for maritime public service, China offers to provide satellite positioning and information services. It also proposes setting up marine disaster warning systems in the South China Sea, the Bengal Sea (that is, the Bay of Bengal), the Red Sea and the Gulf of Aden and to develop warning and mitigation products. The most important part of maintenance of maritime security is maritime law enforcement which lays stress on bilateral and multilateral frameworks of exchanges and cooperation among the maritime law enforcement agencies of the countries along the MSR.

The MSR Vision underlines the necessity of innovation for sustainable development of the ocean-based economies, and proposes five areas of cooperation – furthering cooperation in marine scientific research and technological development; building platforms for marine technology cooperation; jointly building smart ocean application platforms; conducting marine education and cultural exchange; and joint promotion of ocean related culture. China proposes to launch a “Maritime Science and Technology Cooperation Partnership Initiative” and *conduct geoscience surveys of the continental margins of the Indian Ocean* (emphasis added). It proposes to set up various platforms, including the China-Pakistan Joint Marine Scientific Research Centre. The Vision also suggests media cooperation and a plan to develop a media-related “circle of friends”.

Collaborative governance is another priority area to promote blue partnership. Under this, the MSR Vision underlines six main areas of cooperation – developing high-level dialogue mechanism for marine affairs; developing mechanisms for cooperation in blue economy;

jointly conducting marine spatial planning and application; strengthening cooperation through multilateral mechanisms; enhancing cooperation among think tanks; and strengthening cooperation among non-governmental organisations. China proposes to launch a “Global Blue Economy Partnership Forum” and envisions the formulation of policies and rules under the auspices of the Asia-Pacific Economic Cooperation forum, the East Asia Summit, the China-Africa Cooperation Forum and the China-Pacific Island Countries Economic Development and Cooperation Forum. Interestingly, the United Nations Convention on the Law of the Sea is not mentioned.

The last section of the MSR Vision presents a list of accomplishments and developments since the launch of the BRI. It states that “China has signed intergovernmental agreements, MOUs [memoranda of understanding] and joint statements for ocean cooperation with countries such as Thailand, Malaysia, Cambodia, India, Pakistan, the Maldives and South Africa”. It also identifies avenues such as enhanced financial investments and greater mobilisation of Chinese domestic resources to provide capital support for major ocean programmes.

While there are many similarities between the earlier vision document and the MSR Vision, three important aspects from the earlier BRI vision document are absent in the new Vision document; one, communication between political parties and parliaments and friendly exchange between legislative bodies, major political parties and political organisations; two, the localised operation and management of Chinese companies to boost local employment, improve local livelihood, and social responsibilities; and three, the leveraging of the unique role of overseas Chinese.

Modi’s Vision of a Blue Economy

The maritime domain plays a central part in India’s strategy to develop its economy, which is expected to help bolster the country’s rising economic power. The Modi government has laid out a comprehensive framework for India’s maritime engagement. Articulating his vision of a blue economy at the International Fleet Review in Visakhapatnam on 7 February 2016, Modi remarked:

An important part of India's transformation is my vision of [a] "Blue Economy". The Blue *Chakra* – or the wheel – in our National Flag represents the potential of the Blue Economy. An essential part of this pursuit is the development of India's coastal and island territories: but, not just for tourism. We want to build new pillars of economic activity in the coastal areas and in linked hinterlands through sustainable tapping of oceanic resources. Strengthening our marine research, development of eco-friendly, marine industrial and technology base, and fisheries are other elements of our goal.⁷

To take Modi's vision forward, NITI Aayog, the premier policy think-tank of the Indian government, has started a consultation process to leverage India's status as a major maritime nation with a long coastline and the potential to become a significant blue economy.⁸ The importance of the maritime domain to India's well-being is reflected in former Chief of Naval Staff Admiral R K Dhowan's statement that the 21st century is the "century of the seas" for India, and that "the seas will remain a key enabler in her [India's] global resurgence."⁹ The maritime domain has, therefore, emerged as a crucial element in India's internal development as well as external engagement strategies. India's revised maritime security strategy, titled "Ensuring Secure Seas: Indian Maritime Security Strategy"¹⁰ and released in October 2015, takes a holistic approach towards maritime security and underlines the great importance India attaches to securing its maritime interests.

The idea of a blue economy is gaining momentum in India, and the research community and businesses are following up on Modi's vision statement. With support from the Ministry of External Affairs, the Research and Information System for Developing Countries (RIS) launched a research programme on blue economy in 2015 with the aim of contributing to the evolving discourse on the concept, measurement and implementation of a blue economy in

⁷ Ministry of External Affairs, Government of India, "Prime Minister's address at International Fleet Review 2016", 7 February 2016, retrieved from <http://www.mea.gov.in/Speeches-Statements.htm?dtl/26333/Prime+Ministers+address+at+International+Fleet+Review+2016>.

⁸ Mahendra Singh, "Niti Aayog plans to turn nation into 'blue economy'", *The Economic Times*, 27 September 2016. Retrieved from <http://economictimes.indiatimes.com/news/economy/policy/niti-aayog-plans-to-turn-nation-into-blue-economy/articleshow/54539874.cms>.

⁹ Ministry of Defence (Navy), Directorate of Strategy, Concepts and Transformation, Integrated Headquarters, *Ensuring Secure Seas: Indian Maritime Security Strategy*, New Delhi: Indian Navy Naval Strategic Publication, 2015.

¹⁰ Ibid.

India and different regions of India's policy interests. It has also started the IORA (Indian Ocean Rim Association) Blue Economy Dialogue to focus on the key aspects of blue economy including an accounting framework; fisheries and aquaculture; renewable ocean energy; ports, shipping and manufacturing services; and sea-bed explorations and minerals.¹¹

Similarly, India's apex business chamber, the Federation of Indian Chambers of Commerce and Industries (FICCI), is also working on the blue economy vision of the Modi government. FICCI has come out with a comprehensive vision document – “Blue Economy Vision 2025: Harnessing Business Potential for India Inc and International Partners” – and presented this vision at the Second IORA Ministerial Conference on the Blue Economy held in Jakarta, Indonesia, in May 2017.¹² FICCI's Blue Economy Vision 2025 makes a convincing argument that the oceans, with a current estimated asset value of US\$24 trillion and an annual value addition of US\$2.5 trillion, would continue to offer significant economic benefits both in the traditional areas of fisheries, transport, tourism and hydrocarbons as well as in the new fields of deep-sea mining, renewable energy, ocean biotechnology and many other areas. It suggests the integration of sustainable practices with business models.¹³

Converging Maritime Interests of India and China

China and India are important players in ensuring global security. Their combined efforts could be useful to combat non-traditional security threats. Given the fact that the navies of the two countries would increasingly be operating in the same region, it would be crucial for them to harmonise their activities and create interoperability by undertaking confidence-building measures, including conducting joint anti-piracy and disaster-relief exercises and may be even complementing each other. There could be many other convergences between India and China in the maritime domain. India needs better infrastructure and connectivity, and, over the past few decades, China has emerged as a major maritime power of the world and is offering to develop maritime infrastructure in friendly countries. India can also harness Chinese

¹¹ See “IORA Blue Economy Dialogue: Goa Declaration”, Retrieved from: http://iora.ris.org.in/iora_new/Goa%20Declaration.pdf.

¹² “FICCI unveils study on Blue Economy at 2nd IORA Blue Economy Ministerial Conference in Jakarta”, retrieved from: <http://ficci.in/PressRelease/2760/ficci-press-release-may11-iora.pdf>.

¹³ Blue Economy Vision 2025: Harnessing Business Potential for India Inc and International Partners <http://ficci.in/spdocument/20896/Blue-Economy-Vision-2025.pdf>.

capabilities to improve its maritime infrastructure, including the construction of high-quality ships and world-class ports. More importantly, it will also help India's maritime connectivity with the Association of Southeast Asian Nations – a link that has been languishing due to the lack of adequate infrastructure. India and China can also work together in the area of humanitarian assistance and disaster relief (HADR), with the Indian Navy and the Chinese People's Liberation Army Navy possibly cooperating and developing the best practices for HADR operations.¹⁴

India is the only major country that did not participate in China's recent Belt and Road Forum. However, there is a lot of potential for cooperation between these two countries in the MSR initiative. At least, there are several MOUs between India and China which conform to several aspects of the MSR Vision. In fact, both countries signed 24 agreements/MOUs during Modi's visit to China in 2015, out of which 14 provide avenues for cooperation between these two countries.¹⁵

With the aim to contribute a new template for concerted international maritime cooperation and management, and for the societally-beneficent harnessing of the vast blue economy, the second edition of a Track-1.5 dialogue on the Indian Ocean, involving governmental and non-governmental interlocutors, is being organised by the India Foundation, a Delhi-based think tank and its partners, in Colombo, Sri Lanka, from 31 August to 2 September 2017. It will be interesting to see how much of Modi's vision of a blue economy finds synergy with Xi's vision of blue partnership, given the converging maritime interests of New Delhi and Beijing.

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¹⁴ Vijay Sakhuja, "Maritime Silk Road: Can India Leverage It?", #4635, September 1, 2014, retrieved from: <http://www.ipcs.org/article/navy/maritime-silk-road-can-india-leverage-it-4635.html>. Also see, Vijay Sakhuja, "The Maritime Silk Route and the Chinese Charm Offensive", in IPCS Special Focus: The Maritime Great Game India, China, US & The Indian Ocean, p. 6, retrieved from: www.ipcs.org/pdf/SR_150-IPCSSpecialFocus-MaritimeGreatGame.pdf. Rajeev Ranjan Chaturvedy, "Xi Jinping's visit should mark new era in Indo-China relations", *The Economic Times*, 10 September 2014.

¹⁵ Ministry of External Affairs, Government of India, "List of Agreements signed during the visit of Prime Minister to China (15 May 2015)", retrieved from: <http://mea.gov.in/bilateral-documents.htm?dtl/25260/List-of-Agreements-signed-during-the-visit-of-Prime-Minister-to-China-May-15-2015>.