CHINA-ASEAN CONNECTIVITY: CHINA'S OBJECTIVES, STRATEGIES AND PROJECTS (I)

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Executive Summary

- The Master Plan on ASEAN Connectivity (MPAC) unveiled in 2010 has made China-ASEAN Connectivity a hot topic of discussion. Yet, physical infrastructure linkages between China and ASEAN, a key pillar of the MPAC, began as early as the 1990s.
- 2. After Deng Xiaoping's famous 1992 Southern Tour, Yunnan has become China's first province to reach out to Southeast Asia. It is actively involved in initiatives such as the Greater Mekong Sub-region (GMS) cooperation; the Bangladesh, China, India and Myanmar Forum; and, the energy, road and rail link from Kunming to Kyaukpyu (in western Myanmar).
- 3. Guangxi, although a latecomer, is another province that has actively promoted connectivity with ASEAN. It is host to the annual China-ASEAN Expo. It also proposed the "One Axis, Two Wings" strategy that encompasses the Pan-Beibu Gulf economic cooperation, GMS cooperation and Nanning-Singapore economic corridor.
- 4. Both Guangxi and Yunnan want to ride on the connectivity bandwagon with ASEAN to secure the necessary financial support and preferential policies from Beijing to spur their own socio-economic development.
- 5. On its part, Beijing attaches importance to strengthening connectivity with ASEAN. It has signed a number of agreements related to maritime transport, port development, cross-border movement (of goods and people in the GMS) and air transport with ASEAN.

- 6. From Beijing's perspective, the promotion of connectivity with ASEAN will create a peaceful, stable and harmonious external environment for China's development. It will also improve the access of inland Chinese provinces such as Sichuan, Chongqing and Yunnan to the outside world via the Indian Ocean.
- 7. Despite the progress in China-ASEAN relations, ASEAN countries remain wary of China's intentions to varying degrees. A number of ASEAN countries subscribe to the "balance-of-power" strategy of engaging other major powers to balance China's rising influence in Southeast Asia.