



**China-Southeast Asia Relations:
Singapore Summits, Harmony, and Challenges**

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The highlight of this quarter was Prime Minister Wen Jiabao's active agenda in regional summits coinciding with the ASEAN Plus China, ASEAN Plus Three (with Japan and South Korea) and East Asia Summit meetings in Singapore in November. Chinese officials adhered to the line of the 17th Chinese Communist Party (CCP) Congress emphasizing harmonious relations with Southeast Asian and other countries, but ran across some difficulties involving Myanmar, Vietnam, and climate change.

17th Party Congress: “harmonious world” and Southeast Asia

CCP General Secretary Hu Jintao's speech to the 17th Chinese Communist Party Congress in October emphasized commitment to peaceful development and greater harmony in China's international relations. Chinese government foreign affairs specialist Zhai Kun spelled out the meaning of Hu's instruction for China's relations with Southeast Asian and other East Asian countries in a prominently featured *China Daily* commentary on Nov. 19 entitled “Harmony Through East Asia Friendship.” According to Zhai, greater Chinese cooperation with Southeast Asian countries has three sets of benefits for China that will be pursued in the years ahead. Specifically, China-Southeast Asian cooperation:

- provides China with a “strategic prop” in the region by integrating the Chinese economy more closely with regional economies, by forging closer Chinese strategic partnerships with regional governments politically, and by easing security concerns over territorial issues and developing closer cooperation on non-traditional security issues;
- more closely integrates Southeast Asian development with China's regional development through such ventures as the development of the greater Mekong region and the pan-Beibu Gulf regional cooperation, and improvement of pan-Asia road and rail transportation networks; and
- supports Asian and Asia-Pacific regional organizations beneficial to China and regional countries, notably ASEAN, ASEAN Plus Three, and APEC.

China-ASEAN Business and Investment Summit

In the weeks prior to Prime Minister Wen's visit to Singapore, the fourth meeting of this annual summit was held in late October in Nanning and featured speeches by Chinese Vice Premier Zeng Peiyan and ASEAN Secretary General Ong Keng Yong. Both cited many accomplishments in China-ASEAN economic relations while duly noting room for improvement.

On the latter, Zeng focused on the sore point of continued low level of Chinese investment into Southeast Asia despite burgeoning trade and large-scale Southeast Asian investment in China. He pledged that Chinese investment would increase as a result of the creation of trade and economic zones in ASEAN countries designed to help Chinese enterprises enter the region. Official Chinese media emphasized that while China expects to remain a major recipient of Southeast Asian and other international investment, amounting to over \$60 billion annually, China intends its outward investment to reach \$60 billion during the 11th Five-Year Plan period (2006-2010). Chinese media show growing Chinese outward investment figures: from \$5.5 billion in 2004, to \$12.3 billion in 2005, and \$17.6 billion in 2006. That little of this goes to Southeast Asia is not surprising as an International Monetary Fund (IMF) study, *Perspectives on China's Outward Foreign Direct Investment*, published in 2007 said that Hong Kong and Caribbean tax havens, Cayman Islands and British Virgin Islands, consistently account for 70 percent of Chinese FDI abroad. The study speculated that the large amounts are being channeled to Hong Kong and tax havens to avoid taxes and mask other objectives.

Ong Keng Yong said that the China-ASEAN Free Trade Agreement negotiations are entering a "crucial stage." He claimed that "easy things" like commodity trade agreements and the first round of service trade deals have been done, but harder issues over investment and service trade need to be addressed and agreed upon by 2010.

Wen Jiabao visits Singapore, participates in ASEAN, regional meetings

Prime Minister Wen was busy in Singapore on Nov. 19-21 conducting the first visit of a Chinese prime minister to Singapore in eight years, attending the 11th annual China-ASEAN summit, the 11th annual ASEAN Plus Three Summit, the 8th annual China-South Korea-Japan leaders meeting, and the third East Asian Summit.

Wen's speech at the National University of Singapore on Nov. 19 emphasized China's continued efforts to broaden economic interchange and foreign trade and investment while it deals responsibly with environmental protection and energy consumption. Among agreements signed with Singapore Prime Minister Lee Hsien Loong on Nov. 19 was an agreement to build a modern industrial park, "an eco-city," in China's Tianjin Municipality that will replicate what Chinese media said was the "resounding success" of the first China-Singapore flagship project, the Suzhou Industrial Park, launched in 1994.

Wen's visit to Singapore was preceded by Singapore's Senior Minister Mentor Lee Kuan Yew's 27th visit to China where he met President Hu Jintao and other top leaders,

including a one-hour meeting with newly appointed Politburo Standing Committee Member Xi Jinping. Lee lavished praise on Xi and averred that China's adapting to world norms has moved the country ever closer in what Lee called "Singapore's direction." A balanced view of China's development was provided in a speech "Can China Emerge Peacefully," by Singapore Foreign Minister George Yeo at the China Development Forum in Guangzhou on Oct. 12. Yeo lauded China's progress at home and abroad, but also provided a long list of domestic challenges and broad ranging international uncertainties and wariness greeting China's rise. He urged the Chinese government to avoid past practice of "playing defense" in regional organizations and to adopt a responsible leadership role in international organizations like the UN and the World Trade Organization, while seeking to control "excessive nationalism" that adds to international fears of China's rise.

Wen's keynote speech and Chinese proposals at the 11th ASEAN Plus China Summit on Nov. 20 highlighted and pledged to build on rapid progress in trade and other relations. Bilateral trade was estimated to reach \$190 billion in 2007 and was expected to surpass \$200 billion in 2008. China and ASEAN are now each other's fourth largest trading partners. Cumulative mutual investment reached \$45.4 billion in 2007. The Chinese leader urged "follow-up actions" related to the 2002 Declaration on the Conduct of the Parties in the South China Sea in order to advance cooperation, joint development, and stability. He called for a joint expert group to study Pan-Beibu Gulf economic cooperation and urged closer military exchanges, specifically proposing exchanges among defense academies and cooperation over nontraditional security threats. At the summit, China and ASEAN also signed an agreement to insure higher quality agricultural and other food products.

At the 11th ASEAN Plus Three Summit on Nov. 20, Premier Wen and official Chinese media supported the group's emphasis on ASEAN remaining in the "driver's seat" and ASEAN Plus Three serving as the main vehicle for regional cooperation and East Asia community building. Wen called for pushing forward the creation of a free trade area in the region and greater cooperation on finance and banking. Specifically, he said the other nations should study a proposed East Asia Free Trade Area, implement the Chiang Mai Initiative (a currency swapping system created after the Asian financial crisis), and work toward an ASEAN Plus Three Regional Foreign Exchange Reserve Pool. He also called for greater ASEAN Plus Three military cooperation, urging the establishment of an ASEAN Plus Three Armed Forces Forum on Non-Traditional Security Cooperation.

The eighth meeting of leaders of China, South Korea, and Japan on Nov. 20 focused on efforts to promote the denuclearization of the Korean Peninsula through the Six-Party Talks and through their respective bilateral and other channels. The three powers agreed to hold trilateral foreign ministerial and foreign vice ministerial meetings on the Korean nuclear and other regional and international affairs in Japan by March 2008. They said that the trilateral summit, which has taken place on the sidelines of most annual ASEAN meetings since 1999, would eventually be held separately, in one of the three countries, in order to allow ample time for discussion.

East Asia Summit, Bali Conference—climate change, energy and environment

Prime Minister Wen on Nov. 21 signed the Singapore Declaration on Climate Change, Energy and the Environment, the capstone of the East Asia Summit (EAS) involving the ASEAN Plus Three states, along with India, Australia, and New Zealand. Under terms of the declaration, the EAS governments vowed to carry out individual and collective actions to address climate change, improve energy efficiency, and reduce deforestation. The declaration represented a step for the regional governments leading to the UN Climate Change Conference that met in Bali, Indonesia on Dec. 3-14. In these deliberations and in various meetings and international forums over the past year, the Chinese have worked hard to promote a stance of cooperation with international efforts to curb greenhouse gases, inefficient energy use, and environmental pollution in ways that avoid binding commitments that might curb China's economic growth.

In mid-2007, the Chinese government announced the formation of a high-level leading group on climate change, chaired by Wen Jiabao, and it issued a major report on the subject. The Foreign Ministry at that time announced that it had established a leading group in charge of international work on climate change, which was headed by Foreign Minister Yang Jiechi. Subsequently, the Chinese government appointed Ambassador Yu Qingtai as China's new "special representative of the Foreign Ministry for climate change negotiations." His role is to help implement China's domestic action plan in response to climate change, as well as to exhibit "the government's active participation in international cooperation on responding to climate change."

Wen told the East Asian Summit on Nov. 21 that China is trying to address the issue of climate change by curbing energy consumption and emissions. He highlighted the Chinese plan to reduce the amount of energy used to generate each unit of gross domestic product by one-fifth by 2010 from 2005 levels. Nevertheless, Wen emphasized that the developed countries "must bear more responsibility" on harmful emissions. In a phone call to UN Secretary General Ban Ki-moon on the eve of the Bali conference, Wen said that "while taking the lead in greatly cutting emissions, developed nations should also help developing nations to respond to climate change Developing nations should adopt relevant policies in accordance with their capacity, in order to make as much of a contribution as they can in combating climate change."

The Chinese Foreign Ministry spokesman clarified China's opposition to binding commitments on its energy use in asserting on Nov. 22 that "even if China's own standards for energy reductions and emission controls coincide with global benchmarks, we still adhere to the principle that no sovereign nation should be forced to accept mandatory measures imposed by another country." He added, "Third-world countries should not be forced to accept any mandatory measures."

China's positions have been supported by prominent Chinese editorials and media commentary, which emphasize that developed countries "produced 95 percent of CO₂ emissions from the 18th century to 1950 and 77 percent from 1950 to 2001" Therefore, developed countries bear the main responsibility for dealing with global warming.

Moreover, Chinese commentary has objected to mentioning the U.S. and China as the world's leading emitters of greenhouse gases, asserting that China's carbon footprint – the CO₂ emissions per person per year – is about four tons for China and over 20 tons for the U.S.

China's reluctance to accept binding commitments on emissions and energy use coincides with China's slow progress in energy efficiency and pollution controls, and complications in alternative energy efforts that involve Southeast Asian countries, among others. Premier Wen told a Singapore National University audience on Nov. 19 that China this year had improved its energy consumption per unit of GDP and cut pollutant discharges; but a deputy director of the State Environmental Protection Administration told an environmental forum in Beijing the previous day that the government was likely to fail to meet its emissions control targets for the current five-year plan (2006-2010) because of continuing expansion of energy-intensive sectors in Chinese industry.

China's strong recent efforts to develop alternative nonpolluting energy have focused on hydropower, which accounts for 6 percent of China's energy supply and is growing fast. The *New York Times* in a feature article on Nov. 18 concerning Chinese dams highlighted "disorderly and uncontrolled" efforts to build power-generating dams. The environmental, social, and other complications of large dam projects like the Three Gorges Dam are well documented, but the implications of ongoing Chinese dam building projects along the Mekong (Lancang) and Salween (Nu) rivers are seen by international specialists as posing major negative risks for the livelihoods of the 70 million people who live from fishing and agriculture in the southeast Asian countries (Myanmar, Thailand, Laos, Vietnam, and Cambodia) that depend on these rivers. A recent European Parliament Report, *Clouds Ahead: China's Energy Policy in Light of Climate Change*, noted concerns with Chinese hydropower projects and also took aim at Chinese purchases of large (400,000-500,000 hectares) of land in the Philippines, and sales and proposed use of several million hectares of land in the Philippines, Indonesia and elsewhere in Southeast Asia for the production of crops that will be used to produce bio-diesel and other bio-fuel.

Diplomacy concerning Myanmar

In spite of the widely acknowledged important economic ties between China and Myanmar, and in spite of Beijing's strict adherence to the principles of sovereignty and noninterference, recent developments indicate that Beijing is making a much higher diplomatic investment in managing the unfolding crisis in Myanmar. In October, the UN Special Envoy on Myanmar Ibrahim Gambari's public acknowledgement of China's mediation efforts and willingness to raise the issues of political reform and national reconciliation with the military junta drew considerable press attention. At this early stage, however, there is no guarantee for success with the subtle shifts in Beijing's approach. Thousands of demonstrators in September are still detained and the military junta remains reluctant to negotiate with opposition factions. As such, Beijing remains vulnerable to continued criticism from the international community for enabling the military junta's intransigence.

In October, Gambari visited Beijing and met with senior officials in an effort to solicit greater support from China to help resolve the political crisis in Myanmar. Gambari met with Assistant Foreign Minister He Yafei and described the closed-door meeting as constructive. In his debrief following the meeting, Gambari specifically mentioned that Beijing's efforts to help broker meetings between him and Gen. Than Shwe, the military junta leader, as well as with detained democracy leader Aung Sun Suu Kyi were helpful. He also mentioned that the purpose of his trip was to "acknowledge what they [the Chinese government] have done but also to encourage them to do more."

Subsequently, Gambari also met State Councilor Tang Jiaxuan and Vice Minister of Foreign Affairs Wang Yi. According to Chinese press, Tang expressed concerns about the current situation in Myanmar. As a close neighbor, China is particularly concerned with Myanmar's "stability, development, democracy, and reconciliation." Wang further pointed out that the two countries share a common boundary of over 2,000 kilometers. Several articles in the Chinese press have recently opined that there is growing concern in Beijing that continued instability in Myanmar could have a spillover effect. Since more than a million Chinese have crossed the borders into Myanmar seeking job opportunities, continued upheaval in Myanmar could cause a mass exodus of Chinese migrants back across the border, creating increased social unrest in China's southwestern provinces.

In mid-November, Beijing dispatched Wang as a special envoy to Myanmar. During his visit, he met Gen. Than Shwe and three other senior officials in the State Peace and Development Council (SPDC), including Information Minister Brig. Gen. Kyaw Hsan, Foreign Minister U Nyan Win, and Labor Minister U Aung Kyi. The two sides sought to increase Sino-Myanmar traditional "*paukphaw* (fraternal)" friendship and deepen mutual cooperation. More important, the Myanmar side briefed Wang about the current state of the domestic situation and the military junta's proposed measures for political reform and reconciliation. According to Chinese press, Wang expressed an urgency for Myanmar's leaders to speed up the democratization process and improve their people's livelihood so that political stability can be achieved at an early date.

More recently, Beijing publicly called for greater coordination between concerned parties' mediation efforts to help resolve the political crisis in Myanmar. At a press conference on Dec. 20, Chinese Foreign Ministry spokesperson Qin Gang mentioned that China would continue to support the negotiation work of Gambari. China also supports ASEAN to play a bigger role and further engage Myanmar's leaders through dialogue and consultation. Beijing would also be willing to strengthen communication with the European Union to play a more positive role.

There will continue to be differences between China and much of the West on assessments of the situation in Myanmar and on the appropriate measures to pursue in its resolution; Beijing's emerging openness, however, indicates subtle shifts in its approach to Myanmar. In the November/December issue of *Foreign Affairs*, an article on Myanmar by Michael Green and Derek Mitchell points out that China's position on this issue could change as Beijing weighs its long-term interests and sees that continued

alignment with Myanmar could further damage its reputation and threaten its security. North Korea is a case in point and a precedent for making such foreign policy adjustments. In fact, the authors argue that Beijing would “all the more readily do so because Myanmar occupies a less strategic position for China than does North Korea.” To be sure, Beijing will not overtly undermine its policy of “noninterference” and respect for sovereignty, even with Myanmar. But, as seen in recent developments, Beijing is beginning to amend its approaches as it recognizes a building interest to do so.

Vietnam-China territorial dispute breaks into the open

Though China and Vietnam in recent years have emphasized positive bilateral relations, longstanding territorial disputes over the Paracel and Spratly Islands broke into the open this quarter with back-and-forth accusations and complaints. Vietnamese media on Nov. 23 replayed remarks by the Vietnamese Foreign Ministry spokesman in answer to a query by a *Vietnam News Agency* reporter about Chinese military exercises in the Paracel Islands from Nov. 16-23. The spokesman said that the Chinese action violated Vietnam’s sovereignty and “was not in line with the common perception” of senior leaders of the two countries, and was at odds with “the spirit” of the meeting between the Chinese and Vietnamese leaders at the ASEAN summit in Singapore a few days earlier. The spokesman affirmed Vietnam’s sovereignty over the Paracel and Spratly Islands (the former are occupied by China, and China and Vietnam, along with four other claimants occupy territory in the latter), and affirmed Hanoi’s interest in friendly relations and peaceful resolution of differences with China.

The Chinese Foreign Ministry spokesman answered a reporter’s question on Nov. 27 by saying the Vietnamese charge was unreasonable, as China has “irrefutable sovereignty” over the Paracel Islands and the Chinese military exercise was conducted “completely within the Chinese waters.” He claimed that “China and Vietnam do not have any disputes” regarding the issue of China’s sovereignty over the Paracel Islands and their neighboring waters.

A second round of public charges began on Dec. 4 with Vietnam’s Foreign Ministry spokesman responding to a reporter’s query about a “recent decision” by the Chinese People’s Congress to create the Sansha administrative town in Hainan Province that would cover three archipelagos including the Paracel and Spratly Islands. Vietnam rejected the “encroachment” and reaffirmed sovereignty over both sets of islands. On Dec. 9, several hundred Vietnamese demonstrated against the Chinese action in front of the Chinese embassy in Hanoi and the Chinese consulate in Ho Chi Minh City. On Dec. 11, the Chinese Foreign Ministry spokesman reaffirmed China’s territorial claim to the islands, saying China was “highly concerned” by recent developments unfavorable to friendly Sino-Vietnamese ties and called on Hanoi to “avoid harming” bilateral relations.

Anti-Chinese demonstrations occurred again in Hanoi and Ho Chi Minh City on Dec. 16. Two days later, the Chinese Foreign Ministry spokesman said the protests had damaged China-Vietnam relations and called on the Vietnamese government to stop them.

Assessing China's rise

In contrast with earlier media commentaries and specialist assessments that tended to emphasize China's rise at the expense of U.S. influence in Southeast Asia, the quarter saw the publication of several in-depth assessments that offered more balanced views of China rise. *China, the United States, and Southeast Asia*, edited by Evelyn Goh and Sheldon Simon, featured contributions from 12 Asian and American specialists and concluded that there is "a strong Southeast Asian desire to sustain U.S. economic, political, and security interests as a means of externally balancing China's current dynamism" and that these regional dynamics are not likely to be seriously challenged by China's rise for the foreseeable future (up to 2015). Ian Storey's monograph, *The United States and ASEAN-China Relations*, published by the U.S. Army War College concluded that improved China-ASEAN relations have not resulted in lost U.S. influence notably because the ASEAN members are hedging by "keeping America engaged and facilitating a continued U.S. military presence" in Southeast Asia.

Articles by Donald Weatherbee and Nick Bisley in the edited volume *Strategic Asia 2007-2008* concluded that the rise of China and perceived challenges to U.S. leadership posed by Chinese-supported Asian multilateralism have not changed the underlying condition where "the United States remains predominant in the distribution of power" in Asia. *The Asia-Pacific Bulletin* on Oct. 26 assessed the results of an all-day meeting of specialists reviewing U.S. relations with ASEAN to conclude that China's trading ties and "soft power" in Southeast Asia are weaker than they might appear and that it is Japan rather than the U.S. that has something to fear from China's rise in Southeast Asia. In this vein, a wrap-up of the Singapore summits by the *Straits Times* on Nov. 24 saw rising China facing a reinvigorated challenge from Prime Minister Yasuo Fukuda's Japan. Tokyo is taking steps China cannot by committing major funding and Japan's advanced technology to promote sustainable development in Southeast Asia. Japan also is promoting Mekong River development beneficial to down-river countries, and enhancing Japan's vision of a "comprehensive partnership" between Japan and ASEAN that is welcomed by Southeast Asian nations seeking tangible benefits from both China and Japan.

Looking Ahead

2008 will provide trade, investment, and aid figures for the previous year that will allow for measurement of China's growing influence in Southeast Asia in these important economic areas relative to the influence of other powers, notably the U.S. and Japan. Top-level Chinese leaders likely will be preoccupied with the wide range of government appointment, tax, budget, and other decisions that will be announced at the 11th National People's Congress that meets in March. The Congress may provide more specific information on how China's recent emphasis on harmony will be reflected in policy and practice toward Southeast Asia.

Chronology of China-Southeast Asia Relations October-December 2007

Oct. 1, 2007: China and Vietnam conduct a joint patrol on the shared fishing area in the Gulf of Tonkin as part of the two governments' agreement on fisheries cooperation and territorial demarcation in the Gulf.

Oct. 2, 2007: President Hu Jintao meets Philippine counterpart Gloria Macapagal-Arroyo in Beijing. Both leaders agree on an action plan to enhance bilateral economic ties through a five-year program for trade cooperation.

Oct. 5, 2007: China Southern Power Grid announces that it will begin construction of a 168-megawatt hydroelectric power plant in Laos' northern province of Bokeo. The project will cost \$340 million and become operational by November 2011. According to Laotian officials, Chinese foreign direct investment in infrastructure project in Laos amounted to \$1.1 billion between 2001 and 2007.

Oct. 14, 2007: According to Vietnamese media, party leaders in the Vietnam Communist Party's Politburo, the top decision-making body, will meet to decide on future foreign policy and discuss often testy ties with China. Hanoi is concerned with Beijing's assertive stance toward the disputed Spratly and Paracel Islands.

Oct. 25, 2007: Chinese Assistant Foreign Minister He Yafei meets UN envoy on Myanmar Ibrahim Gambari to discuss negotiations with Myanmar. Gambari notes Beijing's constructive contribution to mediation on the issue. Gambari also meets State Councilor Tang Jiaxuan and Vice Foreign Minister Wang Yi during his visit to Beijing.

Oct. 28, 2007: The fourth annual China-ASEAN trade and investment promotional exposition (CAEXPO) takes place in Nanning, Guangxi Autonomous Region. The two sides also hold their first ministerial meeting on food safety and product quality, alongside the China-ASEAN Business and Investment Summit.

Nov. 2, 2007: Chinese Communist Party (CCP) Central Committee Political Bureau member Liu Yunshan makes a two-day visit to Vientiane and meets Secretary General of the Lao People's Revolutionary Party and President of Laos Choummaly Saygnasone.

Nov. 7, 2007: Cambodia receives nine patrol boats from China to help combat piracy and other criminal operations on the high seas. The vessels and other facilities are worth \$60 million and are bought with a soft loan from China. This is the second time China has sent patrol boats to Cambodia. In 2005, it gave the Cambodian police six boats to combat smuggling.

Nov. 7, 2007: Wu Bangguo, chairman of the Standing Committee of the National People's Congress (NPC), meets Indonesian Defense Minister Juwono Sudarsono in Beijing. They sign an agreement to step up bilateral defense cooperation on the transfer

of technology, exchange of military students, and the possibility of increased arms purchases.

Nov. 12, 2007: China and Indonesia launch a joint marine scientific expedition to study the ocean-atmospheric interactions that result in a climate mode known as the Indian Ocean Dipole (IOD). The three-year expedition is part of collaboration of Indonesia's Ministry of Marine Affairs and Fisheries and China's State Oceanic Administration.

Nov. 16, 2007: President Hu Jintao meets Singapore Minister Mentor Lee Kuan Yew in Beijing.

Nov. 19, 2007: Premier Wen Jiabao calls on the ruling military junta of Myanmar to speed up democratic reforms. He also reiterates Beijing's support for UN Special Envoy Gambari's mediation efforts between the junta and the opposition parties.

Nov. 19, 2007: The Chinese Ministry of Defense Peacekeeping Operations Office sponsors a China-ASEAN peacekeeping seminar in Beijing. Representatives from 10 member countries of the UN and ASEAN along with some 100 representatives from China attend the seminar. The main purpose is to explore ways to strengthen cooperation and exchanges between China and ASEAN within the UN peacekeeping regime.

Nov. 19-21, 2007: Premier Wen is in Singapore for an official visit to attend the 11th ASEAN plus Three Summit, the 11th China-ASEAN Summit, the Third East Asia Summit and the Eighth Meeting of Leaders of China, Japan and South Korea. Wen also meets leaders of Cambodia, Myanmar, the Philippines, Singapore, and Vietnam on the sidelines of the ASEAN meetings.

Nov. 30, 2007: Chinese Defense Minister Cao Gangchuan visits Thailand for the celebrations of the 80th birthday of Thai King Bhumibol Adulyadej on Dec. 5. He also meets Privy Council President Gen. Prem Tinsulanonda, Prime Minister Surayud Chulanont, and Defense Minister Boonrawd Somtat.

Dec. 2, 2007: Chinese Ambassador to Vietnam Hu Qianwen attends an international seminar on infrastructure development in the economic corridor between China and Vietnam. He proposes that both sides step up investments in roads and railways, ports and logistics services in the Beibu Gulf economic zones – which includes China's Guangxi, Guangdong, Hainan, Hong Kong and Macao, and 10 coastal localities in Vietnam – to elevate bilateral cooperation on trade and investment.

Dec. 3, 2007: The Chinese delegation arrives in Bali to attend the UN Framework Convention on Climate Change. Su Wei, the deputy leader of the delegation, announces that China is willing to make commitments to limit emissions and that “we will do what we should and what we can do.” Su also criticized the West's attempts to impose binding targets on developing countries like China.

Dec. 6, 2007: According to Thai government spokesperson Chaiya Yimwilai, China will consider Thailand's request for nuclear technology transfer and road and railway links between the two countries through Laos and Vietnam.

Dec. 10, 2007: Lao State President Choummali meets Chinese Foreign Minister Yang Jiechi in Vientiane. They agree to strengthen bilateral cooperation through more frequent inter-party and government departmental exchanges and joint infrastructure development projects under the Greater Mekong Subregion Economic Cooperation framework.

Dec. 16, 2007: Following similar anti-China demonstrations the previous week, hundreds of demonstrators gather in Hanoi and Ho Chi Minh City to protest China's territorial claims over the Spratly and Paracel Islands in the South China Sea.

Dec. 17, 2007: Chinese Ambassador to Thailand Zhang Jiuhuan and Thailand's Culture Minister Khaisri Sriaroon sign a cultural exchange agreement to set up cultural centers in each country to promote people-to-people exchanges. With the agreement, Thailand will become the first foreign country to host a Chinese Cultural Center sponsored by Beijing as an official nonprofit institution aimed to promote bilateral exchange in culture, education, art, broadcasting, social science and other related areas.

Dec. 20, 2007: China releases an anti-trafficking plan. The plan, to be implemented from 2008 to 2012, focuses on illegal trafficking of women and children and would involve 28 government ministries and greater regional cooperation.

Dec. 27, 2007: It is reported that the Greater Mekong region, which includes Cambodia, China, Laos, Myanmar, Thailand, and Vietnam, will work with the Asian Development Bank and the Swedish government on a joint infrastructure development project for cross-border electricity supply and exchange among the Greater Mekong region that will be environmentally sustainable and help meet the growing demand for power supply in the developing economies.