

Joint Communiqué of the Republic of India and the People's Republic of China

December 16, 2010



1. At the invitation of H.E. Dr. Manmohan Singh, Prime Minister of the Republic of India, H.E. Mr Wen Jiabao, Premier of the State Council of the People's Republic of China, is on a State visit to the Republic of India from 15 to 17 December 2010. Premier Wen Jiabao held talks with Prime Minister Dr. Manmohan Singh and will call on Smt. Pratibha Patil, President of India. Leaders of the two countries had an in-depth exchange of views on bilateral relations and regional and international issues of mutual interest in a sincere and friendly atmosphere and reached broad consensus.

2. The two sides agreed that as the two largest developing countries in the world, India and China shoulder important and historical responsibilities of ensuring their comprehensive and sustainable economic and social development. They also make a vital contribution to advancing peace and development in Asia and in the world at large. India-China relations go beyond their bilateral scope and have acquired global and strategic significance.

3. The two sides welcome each other's peaceful development and regard it as a mutually reinforcing process. They believe that their growing relationship offers increasing opportunities to advance their cooperation. There is enough space in the world for the development of both India and China and indeed, enough areas for India and China to cooperate.

4. The two sides reviewed with satisfaction the comprehensive and rapid progress of India-China relations in the last ten years, and reaffirmed their commitment to abiding by the basic principles and consensus concerning the development of India-China relations set out in the Declaration of Principles for Relations and Comprehensive Cooperation between India and China in 2003, the Joint Statement of India and China in 2005, the India-China Joint Declaration of 2006 and A Shared Vision for the 21st Century of India and China of 2008. The two sides decided to enhance strategic communication, advance functional cooperation, broaden cultural exchanges, and deepen and enrich the India-China Strategic and Cooperative Partnership for Peace and Prosperity on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other's concerns and aspirations.

5. Reflecting this partnership, the two sides decided to establish the mechanism of regular exchange of visits between Heads of State/Government. They welcomed the opening of the telephone hotline between the Prime Minister of India and Chinese Premier and agreed on regular consultations between the two leaders on issues of importance to both countries. They also agreed to establish the mechanism of annual exchange of visits between the two Foreign Ministers.

6. While expressing satisfaction at the growing quantum of bilateral trade and investment ties, the two sides agreed to further broad base and balance trade and economic cooperation, and identify new opportunities to realize the vast potential for future growth. Towards this objective, the two sides:

a) Positively viewed the growing opportunities in the economic relationship and agreed to establish a Strategic Economic Dialogue to enhance macro-economic policy coordination, to promote exchanges and interactions and join hands to address issues and challenges appearing in the economic development and enhance economic cooperation.

b) Set a new bilateral trade target of USD 100 billion by 2015. The two sides agreed to take measures to promote greater Indian exports to China with a view to reduce India's trade deficit. This includes support for Indian participation in China's national and regional trade fairs, advancing of trade facilitation, enhancing exchange and cooperation of pharmaceutical supervision, stronger relationships between Chinese enterprises and Indian IT industry and speedier completion of phyto-sanitary negotiations on agro products.

c) Agreed to expand cooperation in infrastructure, environmental protection, information technology, tele-communications, investment and finance on a priority basis to draw on each other's strengths and pursue mutual benefit and win-win results. India welcomed Chinese enterprises to invest and participate in India's infrastructure development such as in roads, railways and in the manufacturing sector. The two sides agreed to encourage greater mutual investment and project contracting cooperation between businesses of the two countries, appropriately handle economic and trade frictions and differences and jointly oppose protectionism in all forms. They constituted an India-China CEO's Forum to deliberate on business issues and make recommendations on expansion of trade and investment cooperation.

d) Concluded a Memorandum of Understanding between the Reserve Bank of India and China Banking Regulatory Commission to increase banking and financial cooperation. India and China also agreed to grant permission to the banks of the other country to open branches and representative offices. Modalities will be worked out by the concerned authorities.

7. Both sides reviewed with satisfaction the celebration activities of the 60th anniversary of the establishment of diplomatic relations between the Republic of India and the People's Republic of China in 2010. The two sides declared 2011 as the "Year of India-China Exchange". The two sides further decided to encourage greater exchanges between the civil society organizations, youth, media, scholars, think-tanks, artists and cultural personalities. The two sides agreed to continue youth exchange activities in the next five years. China will invite 500 Indian youth from various fields to visit China within the year 2011. Memorandum of Understanding on Media Exchanges as well as the Programme of Cultural Exchanges between the Government of the People's Republic of China and the Government of the Republic of India for the year 2010-2012 were signed. Both sides agreed to discuss compiling an encyclopedia on India-China cultural contacts.

8. Both sides recognized the importance of educational exchanges, including promoting wider knowledge of each other's languages. In this context, the Chinese side welcomed the decision by the Central Board of Secondary Education (CBSE) of India to introduce Chinese as a foreign language in the curriculum of schools in India from the next academic session (April 2011). China will offer support for training Chinese language teachers and providing Chinese language training materials. The two sides declared the establishment of the India-China Outstanding College Students Exchange Programme and would work out the modalities of the Programme through consultations. To facilitate and strengthen intercollegiate and student exchanges, the two countries agreed to consider the finalization of an agreement on mutual recognition of degrees and diplomas.

9. The two sides noted the good cooperation between China and India in the field of trans-border rivers. The Indian side appreciated the flood-season hydrological data and the assistance in emergency management provided by the Chinese side. The two sides reiterated that they will promote and enhance cooperation in this field.

10. The two sides reiterated their firm commitment to resolving outstanding differences including the boundary question at an early date through peaceful negotiations. They reiterated that resolution of the boundary question is one of the ten-pronged strategies agreed by leaders of the two countries. The two sides reaffirmed their commitment to the Agreement on Political Parameters and Guiding Principles for Settlement of the Boundary Question agreed in 2005 and the process of negotiations being undertaken by the Special Representatives and resolved to actively seek a fair, reasonable and mutually acceptable solution from the political and strategic perspective. Pending the resolution of the boundary question, the two sides shall work together to maintain peace and tranquility in the border areas in line with the previous agreements.

11. Both countries called for continued international adherence to the principles of the UN Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol including that of "common but differentiated responsibilities". Both sides also appreciated the joint efforts of India and China in the international negotiations towards arriving at fair and balanced climate agreements with the aim of further enabling the full, effective and sustained implementation of the UNFCCC and its Kyoto Protocol according to the mandate of Bali Roadmap. Both sides appreciated bilateral cooperation in the area of mitigating and adapting to climate change and agreed to strengthen such cooperation. They welcomed the signing of a Memorandum of Understanding between the two countries on Cooperation in Green Technologies. China appreciated India's hosting the 11th meeting of the Conference of the Parties of the Bio-diversity Convention in 2012.

12. Both sides underlined their unequivocal opposition to terrorism in all its forms and manifestations and stressed that there is no justification for any act of terrorism anywhere. They committed themselves to countering terrorism through joint efforts that include disrupting the financing of terrorism. They also recognized the need to implement all relevant UN resolutions, in particular UNSC resolution 1267, 1373, 1540 and 1624.

13. India and China, being each other's neighbour, have a shared interest in the stability, prosperity and security of the wider region. They agreed to intensify their dialogue on various aspects pertaining to this region and work together on realizing their common goals. The two sides believed that as members of the Asian family, stronger neighbourly relations and mutually beneficial cooperation between India and China help foster a peaceful and stable regional environment that promotes equality, mutual trust and mutual respect. India and China expressed their commitment to assisting Afghanistan to become a peaceful, stable, prosperous nation. They emphasized the importance of a coherent and united international commitment to Afghan-led initiatives.

14. The two sides reaffirmed their support for the multilateral cooperation mechanisms in Asia and their positive view on each other's participation in the cross-regional, regional and sub-regional cooperation processes in Asia. The two sides agreed to broaden cooperation within the framework of the East Asia Summit, the Asia-Europe Meeting, the Shanghai Cooperation Organization, the Russia-India-China trilateral cooperation mechanism and the South Asian Association of Regional Cooperation (SAARC). Both sides agreed that EAS is making a meaningful contribution to building an open, inclusive and transparent architecture in the Asia-Pacific region. Both sides agreed to work together on projects which strengthen bonds between the peoples of East Asia. In this context, China welcomed India's efforts to revive the Nalanda University. Both sides appreciated the work of the Nalanda Mentor Group and the progress made so far. India welcomed China's contribution of US\$ 1 million for the Nalanda University.

15. The two sides expressed their commitment to promoting the multilateral arms control, disarmament and non-proliferation processes. They supported the complete prohibition and thorough destruction of all nuclear weapons, and called on the international community to move forward together to achieve the goal of global nuclear disarmament. The two sides reaffirmed their firm opposition to the weaponization of and an arms race in outer space.

16. The two sides reaffirmed the importance of maritime security, unhindered commerce and freedom of navigation in accordance with relevant universally agreed principles of international law. In this context, they agreed to work together in tackling piracy in the Gulf of Aden.

17. Recognizing common interests and similar concerns on major regional and international issues, the two sides decided to enhance their coordination and cooperation in multilateral forums. China attaches great importance to India's status in international affairs as a large developing country, understands and supports India's aspiration to play a greater role in the United Nations, including in the Security Council. China welcomed India's election to non-permanent membership of UN Security Council during 2011-2012 and both countries agreed to deepen consultation within the Council. Multilateral issues such as climate change, the Doha Development Round of WTO, energy and food security, international financial and economic reform are a particular focus for closer cooperation. The two sides recognized that as the global economy stabilizes and recovers, China and India would strengthen communication and consultation within the G20 framework, jointly facilitate the improvement of global economic governance and advance economic globalization towards balanced development and shared benefits. They agreed to enhance cooperation within the BRIC framework.

18. Premier Wen Jiabao invited Prime Minister Dr. Manmohan Singh to visit China during 2011 and Prime Minister Singh accepted the invitation with pleasure. The dates of the visit will be decided through diplomatic

channels.

New Delhi
December 16, 2010

