



Meeting of the SCO Council of Heads

For Prelims: Belt and Road Initiative, International North South Transport Corridor, Climate Change.

For Mains: Shanghai Cooperation Organization.

Why in News?

Recently, China hosted a meeting of the [Shanghai Cooperation Organisation \(SCO\)](#) Heads of Government

- The SCO Heads of Government meet is held annually to focus on the trade and economic agenda of the organisation and approves the SCO's annual budget.
- India has taken over as **Chairperson of the SCO for 2023**, and will host leaders of all SCO countries at a summit in Delhi expected in mid-2023.
- Earlier, the [SCO](#) summit 2022 was held recently in Samarkand, Uzbekistan.

What are the Highlights of the Meeting?

- The heads of delegations of the SCO member states exchanged views on key issues of **global and regional development**, discussed priority steps to increase trade, economic, cultural, and humanitarian cooperation within the SCO.
- India stated that its total trade with SCO Members is only USD 141 billion, which has potential to **increase manifold**.
 - The bulk of India's trade with **SCO countries is with China, which crossed USD 100 billion** in 2022, while trade with Russia is less than USD 20 billion.
 - Trade with Central Asian countries is less than USD 2 billion, and with Pakistan it is about USD 500 million.
- While taking aim at China's [BRI \(Belt and Road Initiative\)](#), which passes through **parts of Pakistan occupied Kashmir (PoK)**, India said that Connectivity projects **should respect the sovereignty and territorial integrity of Member States** and respect international law.
- India underlined the need for better connectivity in the SCO region built on the centrality of interests of Central Asian states, which will unlock the economic potential of this region in which Chabahar port and the [International North South Transport Corridor \(INSTC\)](#) could become enablers.
- India drew attention to its commitment in fighting the challenge of [climate change](#) and also, its achievements made in this direction.
- India pitched for more trade through Iran's Chabahar port and the **INSTC** that India is a part of, aiming to improve bilateral trade with Central Asian countries.
- A joint communique was issued after the meeting naming all countries except India, which **reaffirmed their support for the BRI**, "including the work to promote the alignment of the 'Belt and Road' construction with the construction of the **Eurasian Economic Union**".

What is the Shanghai Cooperation Organisation?

▪ **About:**

- It is a **permanent** intergovernmental international organisation. It was created in 2001.
- The **SCO Charter was signed in 2002**, and entered into force in 2003.
- It's a Eurasian political, economic and military organisation aiming to maintain peace, security and stability in the region.
- It is seen as a counterweight to **North Atlantic Treaty Organization (NATO)**. It is a nine-member economic and security bloc and has emerged as one of the largest transregional international organisations.

▪ **Official Languages:**

- Russian and Chinese.

▪ **Permanent Bodies:**

- SCO Secretariat in Beijing.
- Executive Committee of the Regional Anti-Terrorist Structure (RATS) in Tashkent.

▪ **Chairmanship:**

- It is by rotation for a year by Member States.

▪ **Genesis:**

- Prior to the creation of SCO in 2001, Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan were members of the Shanghai Five.
- Shanghai Five (1996) emerged from a series of border demarcation and demilitarization talks which the four former Soviet republics held with China to ensure stability along the borders.
- Following the accession of Uzbekistan to the organisation in 2001, the Shanghai Five was renamed the SCO.
- **India and Pakistan** became members in 2017.
- **Current Members:** Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan, Uzbekistan, India and Pakistan.
- Iran is set to become a permanent member of the SCO in 2023.

What is Belt & Road Initiative (BRI)

- **Belt & Road Initiative (BRI)** is an ambitious project that **focuses on connectivity and cooperation among multiple countries** spread across the continents of Asia, Africa, and Europe. BRI spans about 150 countries (China's Claim).
- Initially announced in the year 2013, the project involves building networks of roadways, railways, maritime ports, power grids, oil and gas pipelines, and associated infrastructure projects.
- **The project covers two parts.**
 - **Silk Road Economic Belt:** It is land-based and is expected to connect China with Central Asia, Eastern Europe, and Western Europe.
 - **21st Century Maritime Silk Road:** It is sea-based and is expected to connect China's southern coast to the Mediterranean, Africa, South-East Asia, and Central Asia.

China's rocky road

Despite objections, Beijing's Belt and Road Initiative – which aims to create a network of ports, bridges and rail lines linking China with Africa and Europe – is chugging along. But some countries have voiced concerns over the project, while cracks have started to appear in the programme in various nations

The Belt and Road Initiative is an umbrella term for mostly China-financed and usually China-built projects in more than 60 countries. Graphic shows maritime and overland trade routes under the project



TEXT SOURCE: AFP, AP; MAP SOURCE: GRAPHIC NEWS

CRACKS IN THE NETWORK

- The initiative has run into some roadblocks in the past year, as the Chinese economy cooled and the U.S. and others accused Beijing of saddling developing countries with too much debt. Some countries, including Thailand, Tanzania, Sri Lanka and Nepal, have scrapped, scaled back or renegotiated projects amid

complaints that they are too costly and give too little work to local contractors

- Last year, Malaysian PM Mohamad cancelled projects, including a \$20 billion railway, he said his country cannot afford. And in 2017, Sri Lanka sold control of its port of Hambantota after falling behind in repaying \$1.5 billion in loans from Beijing

CHINA VS OTHERS

- China says some 150 countries have signed Belt and Road-related agreements since the programme's launch more than five years ago

- China's official position is that it is solely an economic initiative with no political motives. President Xi Jinping said in a speech late last year that China would

never seek hegemony

- Some countries, including the U.S., Japan and India, worry that Beijing is trying to build a China-centered sphere of influence that would undermine their own sway, pulling developing nations into so-called "debt traps" that would give China even-more control over their territories

UPSC Civil Services Examination Previous Year Question:

Prelims

Q. 'Belt and Road Initiative' is sometimes mentioned in the news in the context of the affairs of (2016)

- African Union
- Brazil
- European Union
- China

Ans: (d)

Q. Consider the following: (2022)

- Asian Infrastructure Investment Bank
- Missile Technology Control Regime
- Shanghai Cooperation Organisation

India is a member of which of the above?

- 1 and 2 only
- 3 only
- 2 and 3 only
- 1, 2 and 3

Ans: (d)

Mains

Q. Critically examine the aims and objectives of SCO. What importance does it hold for India? (2021)

[Source: TH](#)

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