

Railway agreement would put relations on fast track

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China and Central and Eastern European countries are considering building a new international railway artery linking the regions, according to a cooperation outline released on Tuesday.

They will encourage the setting up of bonded areas and distribution centers along the proposed railroads, the outline said.

As part of the significant cooperation project, China has already reached an agreement with Hungary and Serbia to build a railway between the two European countries' capitals. They will set up working groups

to advance the project as soon as possible.

China now has the world's second-largest railway network with the longest mileage of high-speed railway, Li said on Monday when announcing the project. He highlighted the new global trend of using Chinese equipment due to its high quality and low price.

Romanian Prime Minister Victor Ponta has announced that his country is planning to build a high-speed railway using Chinese technology, as part of cooperation plans being signed in Bucharest, the Romanian capital.

Meanwhile, China and countries in Central and Eastern Europe will also deepen cooperation in highway, port and

airport construction, and support the establishment of a business federation that facilitates the participation of institutions and enterprises from both sides in infrastructure construction, according to the outline.

The outline also said they supported qualified financial institutions setting up branches in each other's markets, and supported central banks signing local currency swap deals, pushing forward settlement in local currency for trade and investment.

Qualified institutions are encouraged to invest in each other's inter-bank bond markets.

The outline also encouraged better use of a \$10 billion special credit line.

Visit: Both markets have 'huge potential'

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Cooperation with China can help them better diversify their sources of investment, while China's huge market brings them huge opportunities. Central and Eastern Europe will also be an important agricultural product supplier to China, Pan said.

China's urbanization will bring greater demand for beef, lamb, cheese, wines and other products.

Camelia Sucu, a Romanian businesswoman, said she invested in agriculture four years ago because of the outlook for the industry. Sucu's company, which owns about 2,000 hectares of farmland, plans to export beef to China.

She said Li's promise to import more beef and lamb from Romania has made her

believe that the idea of exporting safe agricultural products to China can bring good business.

Cui Hongjian, a researcher in European studies at the China Institute of International Studies, said, "Cooperation between China and Central and Eastern Europe will inject new energy to China-Europe cooperation as a whole."

Central and Eastern Europe occupies about 1.3 million square kilometers, about one-third of the European continent. The region's population has reached 123 million.

Compared with countries elsewhere in Europe, Central and Eastern Europe has its own characteristics in economic and social development.

Cui said: "Cooperation with those countries will effectively complement China-EU cooperation. It shows a strategic

coordination of the current China-EU system of cooperation.

"Cooperation with China will help Central and Eastern European countries improve the level of infrastructure construction, and therefore their connectivity with other parts of Europe."

China has accelerated its cooperation with the region in recent years, launching the Secretariat for Cooperation between China and Central and Eastern European Countries in September 2012.

A \$10 billion special credit line is also operational and China has sent more than 30 trade promotion delegations to the region.

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