JOINT STATEMENT
OF THE REPUBLIC OF INDIA
AND
THE PEOPLE'S REPUBLIC OF CHINA

I. H.E. Mr. Wen Jiabao, Premier of the State Council of the People's Republic of China, is currently paying a state visit to the Republic of India from 9 to 12 April 2005 at the invitation of H.E. Dr. Manmohan Singh, Prime Minister of the Republic of India.

During the visit, Premier Wen Jiabao held talks with Prime Minister Dr. Manmohan Singh, called on President Dr. A.P.J. Abdul Kalam and Vice President Shri Bhairon Singh Shekhawat, and met with Chairperson, United Progressive Alliance Smt. Sonia Gandhi. External Affairs Minister Shri K. Natwar Singh and Leader of Opposition, Lok Sabha Shri L.K. Advani will call on him. Premier Wen paid a visit to Bangalore and will deliver a speech at the Indian Institute of Technology in New Delhi.

Leaders of the two countries had an in-depth exchange of views in a sincere, friendly and constructive atmosphere and reached broad consensus on bilateral relations and international and regional issues of common concern.

II. The two sides reviewed the friendly contacts and progress in their bilateral relations in recent years and agreed that India-China relations have entered a new stage of comprehensive development. Both sides noted with satisfaction that with the frequent exchange of visits between leaders of the two countries, the process of building trust and understanding has gained momentum. Rapid growth of trade and economic cooperation has been coupled with the expansion of exchanges and cooperation in other fields. The two sides have made incremental progress in addressing outstanding issues. The two sides have also maintained good communication and collaboration in international and regional affairs. Both sides agreed that India and China have made satisfying progress in developing their long-term constructive and cooperative partnership.

The two sides recalled the Declaration on Principles for Relations and Comprehensive Cooperation between the two Prime Ministers on 23 June 2003 and reiterated that the Declaration provided a shared vision of bilateral relations and an agreed framework for cooperation.

III. In the light of the development of their bilateral relations, in order to promote good neighbourliness, friendship and mutually beneficial cooperation and taking into account the profound changes in the regional and

international situation, the two sides agreed that India-China relations have now acquired a global and strategic character. The leaders of the two countries have, therefore, agreed to establish an India-China Strategic and Cooperative Partnership for Peace and Prosperity.

Such a partnership is based on the principles of Panchsheel, mutual respect and sensitivity for each other's concerns and aspirations, and equality; provides a sound framework for an all-round and comprehensive development of bilateral relations based on mutual and equal security, development and prosperity of the two peoples; and contributes to jointly addressing global challenges and threats. It reflects the readiness of the two sides to resolve outstanding differences in a proactive manner without letting them come in the way of the continued development of bilateral relations.

IV. The two sides agreed that high-level exchanges between the governments, parliaments and political parties of the two countries play an important role in expanding overall bilateral cooperation. They conveyed their determination to maintain and strengthen the momentum of such exchanges in future and agreed to hold regular meetings between the leaders of the two countries. In this context, the two sides also reiterated their intention to promote regular ministerial-level exchanges and make full use of the India-China strategic dialogue and other bilateral dialogue mechanisms.

V. The year of 2005 marks the 55th anniversary of the establishment of diplomatic relations between India and China. To mark the occasion, the two countries will organize a series of commemorative activities. It was noted that "Cultural Festival of China" was currently underway in India and that a corresponding "Cultural Festival of India" would be organized in China later in the year. The two sides would also organize other cultural activities to further promote mutual awareness and deepen the friendship between the two peoples. The two sides declared 2006 as the "year of India-China friendship".

Both sides expressed satisfaction with strengthened exchanges in the area of culture, and affirmed that mutual understanding and cultural exchanges would facilitate development of cooperation in other areas as well. In order to reinforce traditional cultural links, an agreement was concluded for the construction of an Indian-style Buddhist temple at Luoyang in Henan Province of China.

VI. The two sides stressed that an all-round expansion of India-China economic cooperation, including trade and investment, constitutes an important dimension of a stronger India-China relationship. The two countries agreed to make joint efforts to increase the bilateral trade volume to US$ 20 billion or higher by 2008. The two sides welcomed the report of the Joint Study Group (JSG) that was set up to examine the potential complementarities between the two countries in expanded trade and economic cooperation. The JSG in its Report has identified a series of measures related to trade in goods, trade in services, investments and other areas of economic cooperation, and

recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China. The two Prime Ministers tasked the Ministerial-level India-China Joint Economic Group (JEG) to consider these recommendations and coordinate their implementation. For this purpose, the two sides will make their best endeavour to hold the next meeting of the JEG within the next six months. The JSG has also recommended an India-China Regional Trading Arrangement, comprising of trade in goods and services, investments, identified understandings for trade and investment promotion and facilitation, and measures for promotion of economic cooperation in identified sectors. The Prime Ministers agreed to appoint a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the India-China Regional Trading Arrangement and give recommendations regarding its content.

Both sides noted that the Agreement on the Establishment of a Financial Dialogue Mechanism would further facilitate the dynamic and diversifying economic cooperation between the two sides. They will continue consultations on concluding the Bilateral Investment Promotion and Protection Agreement.

The two sides noted with satisfaction that the two countries have signed the SPS Protocols for the export of grapes and bitter gourd from India to China. The two sides also agreed to constitute a Joint Working Group to implement expeditiously the MOU on Application of SPS between the Chinese General Administration of Quality Supervision, Inspection and Quarantine and the Indian Ministry of Agriculture.

China positively evaluates market access for Indian rice to the Chinese market and will launch as early as possible the risk analysis procedure of the Indian rice in accordance with relevant Chinese laws and regulations.

VII. The two sides agreed to further promote the cooperation in the spheres of education, science and technology, healthcare, information, tourism, youth exchange, agriculture, dairy development, sports and other fields on the basis of mutual benefit and reciprocity. The two sides decided to establish an India-China Steering Committee on Scientific and Technological Cooperation chaired by their Ministers for Science and Technology, and start consultations on an agreement on mutual recognition of academic certificates and degrees between India and China. The two sides announced the launching of regular youth exchange activities. China will invite 100 Indian youth to China within the year of 2005 and hold an exhibition this year on advanced and applicable technologies in India.

VIII. The two sides recognized the importance of strengthening mutual connectivity and agreed to jointly work towards further enhancement of direct air and shipping links, tourism and people-to-people contacts. It was noted with satisfaction that an MOU on major liberalisation of civil aviation links between India and China was concluded during the visit.

IX. The two sides will continue to cooperate in exchanging flood-season hydrological data of the trans-border rivers as agreed between them.

In response to concerns expressed by the Indian side, the Chinese side agreed to take measures for controlled release of accumulated water of the landslide dam on the river Parechu, as soon as conditions permit. It was noted with satisfaction that an agreement concerning the provision of hydrological data on Sutlej/Langqen Zangbo was concluded during the visit and that the two sides had also agreed to continue bilateral discussions to finalize at an early date similar arrangements for the Parlung Zangbo and Lohit/Zayu Qu Rivers.

The two sides agreed to cooperate in the field of energy security and conservation, including, among others, encouraging relevant departments and units of the two countries to engage in the survey and exploration of petroleum and natural gas resources in third countries.

X. The two sides noted the useful exchanges and interaction in the military field and decided to further promote such exchanges and interaction. They agreed that broadening and deepening of defense exchanges between the two countries was of vital importance in enhancing mutual trust and understanding between the two armed forces, and to ensuring a peaceful environment in which they could pursue their respective national development objectives. The two sides decided to further strengthen effective contacts and exchanges in this field.

XI. During the visit, the two sides exchanged views on the India-China boundary question and reiterated their readiness to seek a fair, reasonable and mutually acceptable solution, through equal and friendly consultations and proceeding from the overall interests of bilateral relations. They expressed satisfaction over the progress made in the discussions between the Special Representatives of the two countries and welcomed the conclusion of the Agreement on the Political Parameters and Guiding Principles for the Settlement of the Boundary Question. Both sides are convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective. They expressed their commitment to the mechanism of Special Representatives for seeking a political settlement of the boundary question in the context of their long-term interests and the overall bilateral relationship.

Pending a final resolution, the two sides will continue to make joint efforts to maintain peace and tranquility in the border areas in accordance with the Agreements of 1993 and 1996. Both sides agreed that while continuing the discussions between the Special Representatives, it is also important that the Joint Working Group (JWG) continues its work to seek an early clarification and confirmation of the Line of Actual Control (LAC). Progress made so far on the clarification of the LAC in the India-China border areas was noted. It was

agreed to complete the process of exchanging maps indicating their respective perceptions of the entire alignment of the LAC on the basis of already agreed parameters, with the objective of arriving at a common understanding of the alignment, as soon as possible.

The two sides expressed satisfaction at the progress achieved in the implementation of the Agreements of 1993 and 1996 and agreed to fully implement them expeditiously. Towards that end, they concluded a Protocol on Modalities for the Implementation of Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas.

XII. The Indian side reiterated that it recognized the Tibet Autonomous Region as part of the territory of the People's Republic of China and that it did not allow Tibetans to engage in anti-China political activities in India.

The Indian side recalled that India was among the first countries to recognize that there is one China and its one China policy remains unaltered. The Indian side stated it would continue to abide by its one China policy.

The Chinese side expressed its appreciation for the Indian positions.

XIII. Both sides reviewed with satisfaction the implementation of the memorandum on the border trade through the Nathula Pass between the Tibet Autonomous Region of the People's Republic of China and the Sikkim State of the Republic of India.

XIV. The two sides noted with satisfaction that through friendly consultations an agreement in principle had been reached between the two countries to solve the long-pending issue of property originally belonging to Indian Consulate General in Shanghai with the Chinese side agreeing to provide a plot of land in lieu of the premises of the original Consulate General of India.

XV. As two large developing countries, both India and China were aware of each other's important role in the process of promoting the establishment of a new international political and economic order. Both sides share common interests in the maintenance of peace, stability and prosperity in Asia and the world at large, and share the desire to develop closer and more extensive understanding and cooperation in regional and international affairs.

The two sides are supportive of democratization of international relations and multilateralism, stand for the establishment of a new international political and economic order that is fair, rational, equal and mutually beneficial, and promote North-South Dialogue and South-South Cooperation. The two sides believe that the international community should eliminate poverty, narrow the gap between North and South, and achieve common prosperity through dialogue and cooperation.

XVI. The two sides reiterated the importance of the United Nations in global peace, stability and common development and expressed their determination to continue their efforts, together with the international community, in strengthening the UN system to develop a sound multilateral basis to address global issues. Both India and China agree that reform of the United Nations should be comprehensive and multi-faceted and should put emphasis on an increase in the representation of developing countries. The Indian side reiterated its aspirations for permanent membership of the UN Security Council. The Chinese side also reiterated that India is an important developing country and is having an increasingly important influence in the international arena. China attaches great importance to the status of India in international affairs. It understands and supports India's aspirations to play an active role in the UN and international affairs. The two sides reaffirmed their readiness to conduct close consultations and cooperation in the process of UN reforms.

XVII. The two sides, aware of the threats posed by terrorism to the peace and security of the two countries and the whole world, resolutely condemn terrorism in any form. The struggle between the international community and global terrorism is a comprehensive and sustained one, with the ultimate objective of eradication of terrorism in all regions. This requires strengthening the global legal framework against terrorism. Both sides noted the positive outcome of the meetings held so far of their bilateral dialogue mechanism on counter-terrorism and agreed to further strengthen and consolidate their discussions and cooperation. It was agreed to hold the next meeting of the dialogue mechanism on counter-terrorism later this year.

XVIII. Both sides agreed to conduct regular exchange of views on major international and regional issues, strengthen cooperation in the WTO and other international multilateral organizations, and to continue the consultations on other issues of common concern. They agreed to work together to preserve stability and growth in the global economy and reduce disparities between developed and developing countries. They supported an open, fair, equitable and transparent rule-based multilateral trade system and resolved to safeguard the legitimate rights and interests of the developing countries.

XIX. Aware of their linked destinies as neighbours and the two largest countries of Asia, both sides agreed that they would, together, contribute to the establishment of an atmosphere of mutual understanding, trust and cooperation in Asia and the world at large, and facilitate efforts to strengthen multilateral coordination mechanisms on security and cooperation.

XX. During the visit, the two sides signed and/or released the following documents.

i. Agreement on Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question

ii. Report of India-China Joint Study Group on Comprehensive Trade and Economic Cooperation
iii. Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas
iv. Agreement on Mutual Administrative Assistance and Cooperation in Customs Matters
v. MOU on the Launch of the India-China Financial Dialogue
vi. MOU on Civil Aviation
vii. Protocol of Phytosanitary Requirement for Exporting Grapes from India to China
viii. Protocol of Phytosanitary Requirement for Exporting Bitter Gourds from India to China
ix. MOU on Provision of Hydrological Information of the Sutlej /Langqen Zangbo River in Flood Season by China to India.
x. Protocol on India-China Film Cooperation Commission
xi. MOU on Cooperation Between the Indian Council of World Affairs and the Chinese People's Institute of Foreign Affairs
xii. Memorandum on the Construction of an Indian-style Buddhist Temple on the Western side of the White Horse Temple in Luoyang, China

XXI. The two sides believed that Premier Wen Jiabao's highly successful State visit to the Republic of India marked a new level of India-China relationship and opened a new chapter in the friendly relations and cooperation between the two countries.

Premier Wen Jiabao, on behalf of the Chinese Government and people, expressed his appreciation to the Government and the people of India for their warm hospitality, and invited Prime Minister Manmohan Singh to visit China at a mutually convenient time. Prime Minister Manmohan Singh appreciated the invitation and accepted it with pleasure. The Indian side also reiterated the invitation to President Hu Jintao to visit India. The exact time of the visit will be decided through diplomatic channels.

Manmohan Singh

Prime Minister of the Republic of India

温家宝

Premier of the State Council of the People's Republic of China

New Delhi, April 11, 2005