

مركز البيدر للدراسات والتخطيط

Al-Baidar Center For Studies And Planning



Chinese–Iraqi Relations in 65 year: Future Challenges and Opportunities

Cui Wei, Ambassador of the Republic of China to Iraq

**The Chinese Ambassador to Iraq Speech During the Seminar held
by the Al-Baidar Center for Studies and Planning on Sunday, 9/10/2023**

It is my pleasure to meet with you in person today. I looked up the definition of “Baidar” in the dictionary before attending today’s seminar and found out that it refers to a location where wheat is gathered and threshed on the threshing floor. The grains must be processed by removing the husk, inedible components, and other materials, just like our path to knowledge where we must extract the essence, determine the truth, and discard the deception. The center’s name, “Baidar,” suggests that it is committed to learning, which is reflected in its pursuit of the truth by means of fact-finding.

Chinese culture, which has been around for more than 5,000 years, teaches us how to take the best parts and discard the rest. We have discovered how to fully progress the tremendous revitalization of the Chinese nation with Chinese-style modernization by drawing strength from the glorious traditional Chinese culture. The Chinese and Iraqi civilizations have a similar and close standpoint in this sense.

I want to share with you today what I believe regarding the Belt and Road Initiative and how it affects the relationship between China and Iraq. The 10-year Belt and Road Initiative was introduced by Chinese President Xi Jinping on its 10th anniversary this year. The project upholds the values of mutual benefit, consultation, and cooperation. It strives for high standards, enhances the standard of living of individuals, and promotes sustainability with a vision of transparency, environmentally friendly growth, and integrity. It has made significant strides in the areas of policy coordination, enterprise connectivity, business communication,

funds flow, and people-to-people rapprochement and has developed into a prestigious public product launched by China, in which numerous parties participate, and from which the entire world has benefited up until this point.

With more than 150 nations and more than 30 international organizations, China has signed more than 200 cooperation agreements to work together to create the Belt and Road initiative. The initiative has seen the creation of more than 3,000 cooperative projects, bringing in roughly a trillion dollars in investment and generating 420,000 new jobs for member nations. According to the World Bank, cooperation in constructing the Belt and Road will enable the participating nations to lift 7.6 million people out of extreme poverty and 32 million people out of moderate poverty.

China has a long-standing connection with Iraq and other Arab nations that is strongly established in history. Out of basic ambitions for peaceful connection, our ancestors created the historic Silk Road more than 2,000 years ago, and Iraq was a valuable asset. Over a long period of time, China, Iraq, and other Arab nations worked together to build the Silk Road principles of harmony, cooperation, openness, tolerance, mutual benefit, and win-win outcomes.

Iraq is currently the third-largest trading partner in the West Asia and North Africa region and one of the main markets for engineering contracting after China and Iraq signed the memorandum of understanding (MoU) in 2015 regarding cooperation in building the “Belt and Road”. As a result, economic and trade cooperation between the two countries has accelerated. It is also one of China’s largest investment destinations abroad. China, on the other hand, is the leading foreign consumer of Iraqi oil. From \$20.6 billion in 2015 to \$53.37 billion in 2022,

the amount of trade between the two nations surged by 160%. Numerous and significant Chinese businesses are involved in Iraqi oil and electrical projects, as well as schools and other initiatives. It improved the quality of life for the Iraqi people and encouraged economic growth under the direction of the Belt and Road Initiative.

Oil cooperation is seen as a foundation for China and Iraq's economic and trade relations. Chinese oil corporations have significantly influenced the growth of Iraq's oil industry since 2003 owing to their advanced technologies, wealth of expertise, and sophisticated management. Chinese businesses are responding to the Iraqi government's move for sustainable, environmentally friendly development at the same time. For instance, the PetroChina-developed Halfaya field's natural gas processing facility is scheduled to launch at the end of this month. The Halfaya oil field will become the first in Iraq to have all associated gas burners extinguished due to this system, which will accomplish 100% associated gas recycling and usage.

Successful electrical collaboration has also been accomplished. Given that they have built more than 6,200 megawatts of installed capacity, Chinese enterprises are the primary force behind the construction of power plants in Iraq. The three power plants built by Chinese enterprises in Basra, Maysan, and Rumaila had been completed and put into service over the previous two years, respectively.

I have no doubt you are paying great attention to the model schools initiative. Power China has so far implemented 679 schools, with 676 of those schools having completed the construction of their concrete foundations (or 99.41%) and 447 of those schools having finished the sealing of their concrete roofs (or 65.83%). Nine schools have had their construction completely finished, and they are now

undergoing verification and acceptance. By the end of this year, 150 schools should have their whole construction projects finished.

Chinese companies are also involved in a number of projects for airports, sanitation, and others. China and Iraq helped one another during the COVID-19 outbreak, and China sent numerous supplies of aid to Iraq. In conclusion, China helps Iraq in terms of economic development and raising the standard of living for its citizens through practical measures that help to create the Chinese-Arab community for a shared future in the new era.

Currently, there is not enough peace worldwide. Due to ongoing security threats, the global economy is having a hard time recovering. Very few nations are willing to incite conflict and division. It engages in arbitrary disengagement and chain-cutting, imposes one-sided punishments, and pursues a long-arm policy. It fabricates misleading statements in an effort to damage the credibility of the Belt and Road Initiative, including the so-called “debt trap and economic coercion” and others. Here, I want to draw attention to the following:

The Belt and Road Initiative is a responsible initiative. China always adheres to international norms and the principle of debt sustainability. With 29 countries, it has adopted the “Guiding Principles on Investment and Financing in the Belt and Road” guiding governments, financial institutions, and companies of countries participating in the initiative to pay attention to the sustainability of debt in the use of funds. China is also the largest contributing country among the G20 countries to the Debt Service Payment Suspension Initiative.

Relevant statistics show that the proportion of multilateral and commercial debt,

which is the main source of debt pressure on developing countries, surpasses 80% of the total sovereign debt of such nations. The biggest source of debt pressure on developing nations is this issue. Some nations overused their financial influence during the pandemic, which caused instability in the global financial system, significant inflation, a steep devaluation of the local currency, and a steady migration of money from many developing nations.

The Belt and Road Initiative is based on win-win situations and mutual gain. China has consistently upheld the principles of consultation, collaboration, and mutual benefit. It is dedicated to ensuring that all parties consult on an equal footing, assume responsibility, and profit jointly. China likewise advocates for the equality of all nations, regardless of their size or wealth, and has never imposed its political or ideological views on others or used economic pressure.

Development, win-win situation, and hope are the three tenets of the Belt and Road Initiative. In terms of contribution and benefit, all participating nations are on equal footing. The Belt and Road Initiative has survived the difficulties and evaluation it has faced over the past 10 years because of all of this. It received significant amounts of admiration and praise from the international community, particularly developing nations, for this reason.

The Belt and Road Initiative is an initiative committed to peaceful development. At present, the Chinese people are taking their steps in the new path of building a modern socialist state in a comprehensive manner. They seek to advance the great rejuvenation of the Chinese nation in a comprehensive manner through Chinese-style modernization. They will not achieve modernity for their country through war, colonialism, or plunder, but rather through peaceful development

and coexistence. Harmonious between man and nature. This is a new path that is completely different from the West's path to achieving modernity. What China provides to the world is an opportunity rather than risks, traps, or ideology. The Belt and Road Initiative will not become a tool for China to achieve geopolitical interests.

Looking back, the Belt and Road Initiative has had a significant impact on the global economy during its glorious ten-year journey. The initiative will carry on in the future with its vivid energy to produce greater advantages for all parties involved. The third session of the Belt and Road Forum for International Cooperation will be held in October, according to a recent announcement from China. I have faith that this forum will inject new dynamism into the development and prosperity of the world.

Distinguished attendees...

Our embassy staged a number of celebration events with the Iraqi side last month to honor the 65th anniversary of the start of diplomatic ties between China and Iraq. Over the past 65 years, there has been a steady increase in the political confidence between the two countries, a constant improvement in practical cooperation, and a growing rapprochement between the two peoples' hearts. A new chapter in the friendship between China and Iraq was begun when the two nations jointly announced the development of strategic partnership relations in December 2015. In December 2022, Chinese President Xi Jinping met with Iraqi Prime Minister Muhammad Shia al-Sudani while attending the first China-Arab summit, where the leadership of the two countries reached an important consensus on ways to deepen friendly communication and cooperation between the two countries in

various fields. This determined the direction of development of bilateral relations and put a strong dynamic in them.

China and Iraq are genuine friends who share understanding and affection, as well as strategic allies who work together for growth. I want to make it explicit that China places a high value on strengthening ties with Iraq and will continue to stand by its side in its efforts to defend the country's territorial integrity, sovereignty, and independence. It also opposes any outside interference in Iraq's internal affairs. It encourages Iraq to participate more actively in regional and global issues. We are keen to work with Iraq to properly implement all the outcomes of the first China-Arab Summit and the meeting of the leadership of the two countries, to call for and implement the Global Development Initiative, the Global Security Initiative and the Global Civilization Initiative, and to enhance cooperation in building the Belt and Road with high quality, creating a bright future for the strategic partnership relations between the two countries.

Thank you!

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Note

The opinions expressed in this research do not necessarily express the center's point of view but rather express the point of view of its author.

About center

Al-Baydar Center for Studies and Planning is a non-governmental and non-profit organization established in 2015 and registered with the NGO directorate in the general secretariat of the council of ministers in Baghdad.

The center seeks to contribute to developing the state and its institutions, by proposing ideas and practical solutions to the main problems and challenges facing the state, including improving public sector management, policies, and strategic planning, using reliable data and best practices. The center engages the relevant authorities in the state with regular meetings to support this objective and utilizes the support of international organizations dedicated to assisting Iraq's development. The center also seeks to support economic reforms, and sustainable development and provide technical assistance to the public and private sectors. The center also seeks to support the development of the private sector to provide job opportunities for citizens through training and upskilling, in a way that reduces dependence on government institutions and contributes to supporting and diversifying the country's economy.

The center aims to utilize the vast amount of potential in Iraq's human resources by organizing programs to prepare and develop promising young people, including leaders capable of proposing, adopting and implementing visions and future plans that advance society and preserve its value-system based on the commitment to a high moral standard and rejection of all types of corruption.

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