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SPECIAL NOTE

The China-Eurasia Forum is pleased to announce that our website, <http://www.chinaeurasia.org.html> was selected as the Website of the Week by the Japan Information Access Project online.

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ANALYSIS

“Cooperation 2003”: Style, Substance, and Some Surprises

By Malia K. Du Mont, Co-President of the China Eurasia Forum

On August 6th, the Shanghai Cooperation Organization (SCO) launched its first multinational military exercise, named Cooperation 2003. Five of the organization’s six member nations sent troops and observers to participate in the exercise. The stated purpose of Cooperation 2003 was to improve SCO member states’ ability to coordinate against terrorism; realistic counterterrorism scenarios and joint operations in two countries made up the bulk of the exercise. The exercise also represented the first instance in the history of the People’s Republic of China in which foreign troops were invited onto Chinese soil to participate in joint maneuvers with the PLA.

Cooperation 2003 was more than a mere cosmetic exercise, both in its content, scope, and its level of participation. For the first time, the participating militaries accomplished intelligence sharing, joint command, and joint action. Over 1300 troops from five countries engaged in advanced counterterrorism scenarios, under the watchful eyes of large numbers of high-ranking observers. The scenarios themselves were complex, and took place on both sides of the Kazakh-Chinese border, necessitating a fairly high degree of coordination between the member states.

Noteworthy was the absence of Uzbekistan, which was the final nation to join the organization when it was transformed from the Shanghai Five into the Shanghai



Cooperation Organization in 2001. Also noteworthy were assertions by the Russian media, citing unnamed experts, that Cooperation 2003 does not represent the kind of activity which will regularly occur in the SCO's futureⁱ. In contrast, the Kazakh Defense Minister proclaimed that, in the future, troops from interested SCO member states will meet for training at least twice a year.ⁱⁱ Some Russian media downplayed the scale of the exercise, while Chinese state-run newspapers gave it significant coverage. Clearly, an obstacle for the future success of the SCO is the lack of a shared vision by its member states. Nonetheless, the successful conclusion of Cooperation 2003 underscored Chinese and Russian hopes that the SCO can be seen as a viable security alternative to the US military presence in Central Asiaⁱⁱⁱ.

“Cooperation 2003” format

The exercise took place in two stages, beginning in Kazakhstan, and moving to China for the second stage.

The Kazakh Eastern Military District staff commanded Stage One of the exercise, which was designed to improve joint command and control structures, and enhance the interoperability of SCO member states' militaries. More than 500 troops took part, including Kazakh air defense units and ground and air mobile forces, a Kyrgyz assault and reconnaissance platoon, and a motorized rifle company from Russia^{iv}. China and Tajikistan were represented by observers, Tajikistan being too financially strapped to provide any troops to take part in the exercise.

Significant aspects of Stage One, which centered on a mock operation to free passengers from a hijacked commercial airliner, included:

- Command and staff training (the Chinese were praised for their “good technical equipment” in this portion of the exercise).^v
- Personnel and financial management.
- Joint artillery operation to cordon off and eliminate a group of international terrorists.
- Interception of an intruder aircraft.
- Airborne-assault airdrop.

Stage Two began on August 11th in Yingying, Xinjiang, under the command of the PLA's Xinjiang Military District. The Commander of the Lanzhou Military Region, LTG Li Qianyuan, headed the Chinese military delegation. The Chinese troops who participated in the second stage of Cooperation 2003 comprised a mechanized infantry battalion, a 105-mm recoilless gun battery, and various logistics units; they were augmented by a Kyrgyz special forces element.

The scenario for Stage Two focused on an operation to uproot over 100 separatist fighters who had infiltrated the region.^{vi} Its significant aspects included:^{vii}



- Establishment of a joint headquarters to direct antiterrorism special operations elements, army aviation units, and armed police special operations elements.
- Assault by a joint force of more than 700 troops on a terrorist camp.
- Air landing by antiterrorism special operations elements on a simulated national border.
- Live-fire exercise involving helicopters, tanks, infantry, and artillery.

The predecessor to Cooperation 2003

Although Cooperation 2003 was the inaugural military exercise for the SCO, it was preceded and informed by the Chinese-Kyrgyz joint antiterrorism military exercise of 2001, which was the PLA's first joint exercise with a foreign military. Each of the participating militaries stayed within the borders of their own country, however. Taking place over two days in October 2001, the exercise emphasized many of the activities which were recently highlighted in Cooperation 2003, including establishment of a joint command post, intelligence sharing, and a joint live-fire exercise. Other similarities between the two exercises include the fact that Chinese troops did not participate in maneuvers outside their own borders, and the coordinated use of helicopters, armor, and infantry.

Challenges for the SCO

While the Cooperation 2003 exercise accomplished its immediate goal of combating terrorism, the larger geopolitical aims of China and Russia will be more difficult to achieve. Both states hope to build the SCO as an alternative to the US military presence – particularly in Uzbekistan, which eagerly welcomed a US base after September 11th; in Kyrgyzstan, which is also hosting a US presence; and in Kazakhstan, which participated in exercise Steppe Eagle 2003 with NATO subunits in the days immediately preceding the Cooperation 2003 exercise. Uzbekistan's absence from Cooperation 2003 does not augur well for Chinese and Russian objectives in that regard. Uzbekistan offered no public explanation for its failure to participate in the SCO exercise, but perhaps its decision to participate instead in GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova) command-staff exercises the previous week was commentary enough.

More problematic for the future viability of the SCO is the ongoing Chinese-Russian competition for influence in Central Asia. In commenting on Cooperation 2003, Russian media acknowledged that the exercise was an important step for China in its military integration with post-Soviet countries;^{viii} at the same time, Russia is planning to bolster its own presence in Tajikistan, and to inaugurate a Russian air base in Kyrgyzstan this fall. Moscow wants the SCO to succeed – to a point; during the exercise, Russian media noted that the SCO did not have plans to establish a collective mobile force on a permanent basis.^{ix} Not coincidentally, the Russian-led Collective Security Treaty



Organization (whose other members are Kazakhstan, Kyrgyzstan, and Tajikistan) is working to form a 5000-troop anti-terrorism rapid reaction force. In contrast, the SCO's Counterterrorism Center has endured great uncertainty, as its proposed location has switched from one state to another. In the face of these challenges and contradictions, viewing the SCO as a viable body to help contain growing security threats in the region would seem to be optimistic at the present time.

Looking to the future

The next major scheduled event in the future of the SCO's anti-terrorism efforts is the establishment of the Counterterrorism Center in Tashkent, which is slated to begin operations on January 1, 2004. What the Center's operating budget will be, how its staff will operate, and the scope of its mandate all remain to be seen.

With regard to future exercises, although Russia has already signaled its lack of interest, it is likely that China will encourage the launching of another joint anti-terrorism exercise next year. Indeed, China has already approached some ASEAN states about coordinating anti-terrorism efforts with the SCO.

Finally, there is the question of expansion of the SCO. Other countries in the region, including Pakistan and India, have indicated interest in joining the organization. Japanese newspapers speculate that the United States will be granted observer status for the next SCO exercise.^x However, SCO member states seem to agree that any expansion at the present time would be premature, and the subject is not on the agenda for the upcoming summit. The SCO must first learn how to walk before it can run.

NEWS

1) Month in Review

Counterterrorism and law enforcement:

- The Shanghai Cooperation Organization conducted its first multi-day counterterrorism exercise from August 6 to 12. The exercise, dubbed "Cooperation 2003" located in western Kazakhstan, and China's Xinjiang province, involved over 1000 troops and observers from all the SCO nations, except Uzbekistan.
- In a face saving maneuver, Kyrgyz Foreign Minister Askar Aitmatov stated that Kyrgyzstan accepted the relocation of the SCO Counterterrorism Center to Tashkent because U.S.-led operation had largely eliminated Kyrgyzstan's terrorism threat and Uzbekistan is much more "sensitive" to extremist activities.



- On August 12, 1500 members of China's People's Armed Police (PAP) conducted a counterterrorism exercise in a suburb outside of Beijing in which they simulated freeing 1000 hostages from a cinema.
- It has been reported that Wu Bangguo, a member of China's ruling cadre, has proposed that the SCO enter in a joint agreement with ASEAN to jointly combat terrorism.
- Kyrgyzstan and the OSCE Centre in Bishkek signed an agreement on August 7 to launch an OSCE police assistance program.

Meetings and summits:

- The General Prosecutors of all SCO nations concluded a meeting on September 4 in Bishkek at which they approved a strategy for cooperation in fighting terrorism, religious extremism, drug and arms trafficking, and international organized crime.
- During a three-day visit to Tajikistan, Chinese Foreign Minister Li Zhaoxing met with Tajik President Emomali Rakhmonov. They discussed, among other topics, joint counter-terrorism cooperation and the construction of a road through the Kulma mountain pass, as well as reaffirmed support for the SCO. President Rakhmonov stated that the SCO was "a factor of ensuring stability in the region, an influential factor of the regional and world politics."
- On September 4, Chinese Foreign Minister Li Zhaoxing met with Uzbekistan's President Islam Karimov to discuss the development of Uzbek-Chinese relations. During the meeting, the two signed an inter-governmental agreement to coordinate counterterrorism activities.
- The Foreign Ministers of the SCO member nations met in a special session on September 5 to discuss the implementation of the agreements from the May 2003 SCO summit in Moscow. At the meeting, the ministers announced that the SCO secretariat in Beijing and the executive committee of the regional antiterrorism center, to now be located in Tashkent, would both be functioning in November in preparation for the official launch of the organization in January 2004. While the budgetary mechanism of the SCO was discussed, enlarging the organization was not on the meeting's agenda. The meeting's final communiqués, in preparation for the upcoming General Assembly meeting, called on the U.N. to take on a larger role in Iraq, the current North Korea standoff, and the Middle East, as well as to implement a plan to combat drug trafficking from Afghanistan. The SCO members stated their willingness to contribute troops to the Iraqi stabilization effort. Additionally, the SCO Convention on fighting terrorism, separatism and



- extremism (2001), SCO Charter (2002) were amended to reflect ongoing changes. At the meeting, Kazakh Foreign Minister Qasymzhomart Toqaev rejected future large-scale antiterrorism exercises carried out by the military, such as the one just held in early August, stating that such activities are the responsibility of law enforcement agencies and, when carried out by the military, give the world a negative impression about the true goals of the SCO.
- During his official visit on September 6th, Chinese Foreign Minister Li Zhaoxing met with Kyrgyz President Askar Akaev and reaffirmed the 2002 Treaty of Cooperation and Friendship. Li and Akaev promised cooperation on countering terrorism, particularly the perceived terrorist threat emanating from the Free East Turkestan movement, and stated their matching positions on various political and economic issues including the importance of the SCO to the region and the hope that Chinese firms will invest in developing Kyrgyzstan's hydroelectricity sector and transportation and communications infrastructure.
 - Ministers of transport of the SCO met from September 11 to 14 to discuss building a regional transportation network to improve cross border trade.
 - From September 22 to 25, Prime Minister of the Russian Federation, Mikhail M. Kasyanov, was in Beijing to meet bilaterally with his Chinese counterpart Wen Jiabao, as well as with the rest of the Shanghai Cooperation Organization's Prime Ministers during the SCO Heads of Government meeting. The two discussed a host of issues ranging from economic, energy, and security cooperation to articulating a common view on major international issues.
 - On September 23, the Shanghai Cooperation Organization held a meeting of member Heads of Government in Beijing. At the meeting, Chinese Premier Wen Jiabao proposed the creation of an SCO free trade zone. As part of this plan, Wen proposed the SCO “ 1) promote the facilitation of trade and investment in a bid to realize the smooth circulation of goods within the framework of the SCO as well as to reduce and eliminate non-tariff barriers like those in customs service, quarantine, standards and transportation, 2) set certain large projects on economic and technological cooperation and give priority to those in transportation, energy, telecommunication, agriculture, home appliances, light industry and textile, and 3) set a long-term objective for regional economic cooperation and gradually set up a free trade zone within the SCO.” The meeting concluded with the signing of six documents covering multi-lateral economic and trade cooperation among SCO members, the SCO budget for the year 2004, rules and regulations on salary guarantee and allowances for staff members of the SCO permanent body, the initiation of the SCO counterterrorism center in Tashkent, the official launch of the SCO permanent body, and a joint communiqué.



- Lord George Robertson, the Secretary General of NATO, traveled to Tajikistan and Uzbekistan from Tuesday, 23 September till Friday, 26 September 2003.

Energy and Trade:

- Over concerns that Russia may withdraw from the deal, China sent a high-level delegation led by Ma Kai, director of the National Development and Reform Commission, to Moscow to discuss the proposed Angarsk-Daqing pipeline, a US\$150 billion deal that would allow China to import 700 million tons on Russian oil over the next 25 years.
- In the run-up to the meeting between their Prime Ministers, China and Russia agreed to boost the export of oil from Russia to China by way of rail to 4.5- 5.5 million tons a year between 2004 and 2006.
- New data released by the Chinese Ministry of Commerce on September 24 stated that the bilateral trade volume between China and Russia is set to reach US\$14 billion this year, the fifth consecutive year of growth in trade between the two countries.

2) Uzbekistan: Foreign Ministers Of Shanghai Cooperation Organization Converge In Tashkent

By Charles Carlson

RFE/RL, September 5, 2005

<http://www.rferl.org/nca/features/2003/09/05092003174355.asp>

“The so-called SCO Regional Antiterrorism Structure is to be based in the Uzbek capital. SCO member states had agreed at a May summit in Moscow that the center would be located in Bishkek. But Russian President Vladimir Putin on 6 August accepted a proposal by Uzbek President Islam Karimov to make Tashkent the base of the antiterrorism structure. According to a report by the official Kyrgyz news agency, kabar.kg, Bishkek has accepted the change of locale, thus removing a possible area of contention between Kyrgyzstan and Uzbekistan at this week's SCO meeting...”

3) A New Big Game in Central Asia

By Vladimir Radyuhin

The Hindu

July 18, 2003



<http://www.hinduonnet.com/thehindu/2003/07/18/stories/2003071800931000.htm>

“The U.S. has moved to put a bigger foot in the South Caucasus and Central Asia... Russia has responded by boosting its military and economic presence, and building multilateral security structures in the region...”

4) Copycatting the US 'war on terrorism'

By Ehsan Ahrari
Asia Times
September 3, 2003

http://www.atimes.com/atimes/Central_Asia/EI03Ag02.html

“Even though the member states of the SCO have been resolute about fighting "terrorism" since the late 1990s, their chances of doing so improved only in the aftermath of the September 11, 2001, terrorist attacks on the US. As the Bush administration waged a war on the Taliban-al-Qaeda nexus, it could not have been critical when the SCO states adopted harsh measures in dealing with dissident groups, separatists and Islamists in the name of fighting terrorism...”

5) Shanghai Cooperation Organization Takes Significant Step Towards Viability

Roger N McDermott
Eurasianet
September 5, 2003

<http://www.eurasianet.org/departments/insight/articles/eav090503b.shtml>

“China is trying to raise its profile in Central Asian security matters, and Russia wants to discourage Uzbekistan from strengthening security ties with the United States. In seeking to achieve these policy aims, China and Russia hope the Shanghai Cooperation Organization proves to be a key mechanism. Recent anti-terrorist exercises marked a significant step in the ongoing effort to turn the organization into a major regional player...”

6) Bishkek's Multi-Vector Politics

By Alexander Kim
Times of Central Asia
August 23, 2003

<http://www.times.kg/more/?d=117&dt=>



“The Foreign media have raised new passions concerning the US-led anti-terrorist coalition Ganci air base at Bishkek's Manas Airport. Russian media said Ganci base's presence in Kyrgyzstan is illegitimate since Washington and Bishkek have not signed a document prolonging the existing Kyrgyz-American agreement on the base. The American media, however, have said the agreement has been extended for three years. Now it's time for the Kyrgyz side to clarify the situation, but officials' in Bishkek are keeping silent. There is no use to guess at this situation, but we can analyze the available facts and make a logical conclusion...”

7A) Beijing strikes back over Russian pipeline delay

By John Helmer

Asia Times

September 4, 2003

http://www.atimes.com/atimes/Central_Asia/EI05Ag01.html

“A fresh delay by the Russian government in plans to start construction of the Russian leg of a major new crude-oil pipeline to Daqing, in northern China, has so angered the Beijing government that Chinese officials have made their feelings known. At the same time, they have told their Russian counterparts to forget winning state procurement contracts for Russian imports until the pipeline project is back on the rails...”

7B) Russia split over Asian resource exports

By John Helmer

Asia Times

September 20, 2003

http://www.atimes.com/atimes/Central_Asia/EI20Ag01.html

“On the eve of Russian Prime Minister Mikhail Kasyanov's visit to China next week, there are fresh signs in Moscow of the simmering conflict between Russia's oligarchs and their supporters, who dominate the export of resources, and those who favor heavy resource-industry taxes to fuel capital investment in diversified Russian industry...”

8) Kyrgyzstan's Worried Uighurs

IPRW

By Sultan Jumagulov

August 11, 2003

http://www.iwpr.net/index.pl?archive/rca/rca_200308_223_2_eng.txt



“Local minority fears Kyrgyz government is targeting it as part of a bigger political game. Ethnic Uighurs living in Kyrgyzstan say their whole community has been stigmatised by a government clampdown on a radical separatist movement...”

9) The Southeast Asian And Chinese Connection To Drug Trade In Central Asia

Central Asia - Caucasus Analyst

Niklas Swanström

Wednesday / August 27, 2003

http://www.cacianalyst.org/view_article.php?articleid=1676

“Central Asia in the late 1990s gradually became a major trafficking route for heroin produced in Afghanistan. This has had increasingly serious implications for the public health, economic development, as well as security of Central Asian states, and arguably grown into being the main threat to the region’s future. Recent reports suggest that drugs from China and Southeast Asia are increasingly being trafficked through Central Asia. In the absence of strong measures to thwart the booming drug trade, Central Asia is set to become a global hub for drug trafficking – potentially further endangering the security of regional states and societies...”

10) The Pie of Central Asia

By Alexander Kim

The Times of Central Asia

August 16, 2003

<http://www.times.kg/news/1088438.html>

“ Following the United States and Russia, China has joined the geo-political division of Central Asia. Beijing is particularly interested in Kyrgyzstan, the country hosting two air force bases - an American base at Bishkek's Manas Airport and a Russian base in Kant (a small city 30 km east of Bishkek)...”

11A) Tashkent's New Balancing Act After The SCO Summit

11B) China's Great Game In Central Asia

Compiled by Adam Albion

RFE/RL Central Asia Report

September 12, 2003

<http://www.rferl.org/centralasia/2003/09/31-120903.asp>



“Over the past two years, Beijing has clearly signaled its apprehension about the establishment of U.S. military bases in Central Asia -- which, it worries, could be part of a strategy to encircle or contain China -- and has responded by trying to expand its influence in the region. The Shanghai Cooperation Organization (SCO) is the multilateral vehicle it has decided to develop together with Russia. At the same time, Beijing's continued strong interest in improving direct bilateral ties was evidenced by last week's Central Asian tour by Chinese Foreign Minister Li Zhaoxing. The discussions that resulted and documents signed were revealing in the range of inducements available to Beijing to encourage Central Asian governments to partner more closely with China...”

12) Shanghai Cooperation Organization Develops Steadily

Editorial

China.org.cn

September 4, 2003

<http://www.China.org.cn/english/international/74257.htm>

“The Shanghai Cooperation Organization (SCO) has achieved breakthroughs in political, economic and military cooperation as well as in its structure building since its founding more than two years ago...”

13) Beijing-Moscow-New Delhi “trialogue”

By K.K. Katyal

The Hindu

September 22, 2003

<http://www.hindu.com/2003/09/22/stories/2003092201151000.htm>

“The significance of the upcoming trialogue is not to be underestimated because China, India and Russia represent the vast majority of the global population...”

14) Joint Communiqué Issued at Conclusion of Extraordinary Meeting of the Council of Foreign Ministers of Member States of the Shanghai Cooperation Organization

Tashkent, September 5, 2003

The Ministers stated that in the period since the meeting of the Heads of the SCO



Member States on May 29, 2003, in Moscow the Council of National Coordinators had done considerable work on the implementation of the accords reached at the Summit concerning the completion of the organizational stage of the formation of the SCO and start of the work of its permanent organs - the SCO Secretariat in Beijing and the Regional Antiterrorist Structure (RATS) in Tashkent - no later than January 1, 2004. Proposals from the Council of National Coordinators on the questions of the distribution between member states of the quota positions in the SCO Secretariat and of the structure and staff list of the RATS Executive Committee were considered and accepted. The initiative of the Republic of Uzbekistan for holding the first meeting of the RATS Council in Tashkent at the end of October - the beginning of November was backed up, and appreciation was expressed to the Chinese and Uzbek sides for the provision of the necessary premises for the accommodation of the SCO permanent organs in Beijing and Tashkent respectively. The Ministers gave instruction to national coordinators to step up the activities of the working groups formed in Beijing and Tashkent from among the representatives of the Chinese and Uzbek ministries and departments concerned and of the embassies of member states in China and Uzbekistan with a view to the preparation and ensuring of an early start of the SCO mechanisms.

The Ministers gave instruction to national coordinators to prepare the suggestions necessary for the launching of the SCO Secretariat in Beijing and of the RATS Executive Committee in Tashkent on November 1, 2003.

The Protocols amending the SCO Charter, the Shanghai Convention on Combating Terrorism, Separatism and Extremism and the Agreement on the RATS were signed in connection with the transfer of the location of the RATS Executive Committee from Bishkek to Tashkent.

The Ministers consider that the decision of the SCO Heads of State on the transfer of the RATS Executive Committee from Bishkek to Tashkent will help optimize the stationing and cooperation of antiterrorist forces in Central Asia and will contribute to raising the effectiveness of the struggle against terrorism, separatism and extremism. A high assessment was given to the role of the Kyrgyz Republic as the initiator of the creation of the RATS and coordinator for the elaboration of legal and regulatory documents governing its activities, and appreciation was expressed to the Kyrgyz side for the constructive approach in deciding the question of the transfer of the RATS Executive Committee from Bishkek to Tashkent.

In order to ensure the effective functioning of the SCO, in particular of its two permanent organs, the Ministers consider it necessary to speed up the preparation of the drafts of a Convention on the Privileges and Immunities of the SCO, an Agreement Between the Government of the PRC and the SCO on the Terms of Stay of the SCO Secretariat in the PRC, and an Agreement Between the Government of the Republic of Uzbekistan and the



SCO on the Terms of Stay of the SCO RATS Executive Committee in the Republic of Uzbekistan so as to complete the work on them before the end of 2003.

The Ministers confirmed the urgency of working out a multilateral Agreement on Cooperation in Combating the Illicit Traffic in Narcotic Drugs, Psychotropic Substances and Precursors before the end of the current year, as was determined at the SCO Moscow Summit.

The Ministers noted that of special importance in the realization of the directives of the Moscow Summit, in the deepening of regional economic cooperation among the six states and in the further development of the Organization will be the upcoming meeting in the third ten-day period of September in Beijing of the Council of Heads of Government (Prime Ministers) of the SCO Member States. The preparation that has begun for it must be oriented towards the adoption of decisions which will determine long-range program goals and concrete methods for the expansion and promotion of multilateral economic cooperation within the framework of the SCO on a whole array of current and long-term issues.

It has been agreed that, from this CFM meeting to the meeting of the SCO Heads of State Council in 2004, the SCO Presidency will be exercised by the Republic of Uzbekistan.

II

The discussion of international issues proceeded from the viewpoint of the upcoming 58th session of the General Assembly of the United Nations. It was stressed that the transnational character of the challenges and threats of the period of globalization dictates the need for consistent consolidation of the international community by way of multilateral dialogue and collective actions. A coordinating role is to be played by the United Nations with its universal character and unique experience in the job of safeguarding international peace. The UN needs consistent adaptation to the evolving international realities on the understanding that reforms will enhance the efficiency of the UN and of its Security Council and will be based on clear and distinct criteria. The Ministers confirmed the importance of the speediest creation on a UN basis of a Global System of Counteraction Against Present-Day Threats and Challenges, incorporating multilateral cooperation mechanisms and combining measures of a political, economic and social character. The SCO could become an integral element of that system.

The Ministers consider it an urgent task of the international community to strengthen the international legal base in the fight against terrorism, including the early adoption of a Comprehensive Convention Against International Terrorism and of a Convention on the Suppression of Acts of Nuclear Terrorism.



The Sides reaffirm their interest in seeing Central Asia remain a region of peace and stability and in this connection underline the great importance of implementing the provisions of the SCO Charter and the Joint Statement of Heads of State of June 14, 2001.

A common striving was reaffirmed for the further intensification of cooperation within the SCO framework in the region of Central Asia and around it in the field of combating terrorism, extremism, separatism and the threat of drugs. The Ministers spoke for the establishment of SCO ties with appropriate international structures within the framework of the UN-coordinated general efforts of the international community.

The importance and vital necessity was stressed of a full-scale integration of Central Asia into the world system of political, trade and economic relations, based on equality, mutual benefit and democratic ideals.

The Ministers believe that the Central Asian region, possessing by virtue of its geographical position, an enormous transit potential, should become an integral part of intercontinental transport corridors.

Support was expressed for the efforts of the Transitional Government of Afghanistan to stabilize the situation in the country. The necessity was noted of holding a constitutional Loya Jirga and general elections in 2004, in the period specified in the Bonn Inter-Afghan Agreement. The importance was underlined of strict compliance with the provisions of the Declaration on Good-Neighborliness, adopted in Kabul in December 2002.

The Ministers noted the urgency of developing under the aegis of the UN an international strategy on comprehensive combating the Afghan drug threat and reaffirmed the preparedness of the SCO member states for close cooperation with the UN and other international organizations under the United Nations Drug Control Program.

The Ministers reaffirmed that the SCO member states support the world community's efforts in the post-conflict rehabilitation of Afghanistan and spoke for perfecting the multilateral assistance to its state and economic reconstruction.

The Ministers accentuated the topicality of the preservation of the territorial integrity of Iraq and of ensuring the sovereign right of the Iraqi people to elect a lawful, internationally recognized representative government. The necessity was noted of a consistent enhancement of the UN's role in politically resolving the situation around Iraq. In this connection they welcome the adoption by the UN Security Council of Resolution 1500, providing for, among other things, the creation of a United Nations Assistance Mission for Iraq. In this case the safety and security of its personnel should be ensured. The readiness of the SCO member states was reaffirmed to make a contribution within their powers to the peaceful rehabilitation of Iraq, the implementation of humanitarian projects, the provision of medical assistance and the construction of roads and communications.



The Ministers welcomed the start of the process of six-way talks for a peaceful settlement of the nuclear problem on the Korean Peninsula.

Support was expressed for the full and consistent implementation by the parties to the Middle East conflict of the Road Map plan, drawn up by the Quartet of International Mediators - Russia, the US, European Union and the UN - and for the advancement of the peace process on the basis of the relevant UN resolutions.

III

The Ministers noted with satisfaction that the establishment of the SCO, its proclaimed goals and objectives, and the process of its formation and the development of cooperation within the framework of the Organization are being positively regarded in the world. A number of countries and international organizations have expressed interest in establishing contacts with the SCO and in employing the capabilities of the Organization for dealing with the acute problems of the contemporary world.

The Ministers reaffirmed the SCO's preparedness to make its contribution to elaborating concrete and effective measures for ensuring stability and security both in the SCO zone of operation and on a wider scale, and to cooperate for that purpose with states and international associations irrespective of their geographical position.

On the basis of the Interim Scheme of Relations between the Shanghai Cooperation Organization and Other International Organizations and States, adopted on November 23, 2002, the SCO representatives took part in the Session of the UN Security Council's Counter-Terrorism Committee on March 6, 2003, in the Meeting of the OSCE Partners for Cooperation in Vienna on April 11, 2003, in the Fifth High-Level Meeting between the United Nations and Regional Organizations in New York on July 29-30, 2003, and in the OSCE Conference on Preventing and Combating Terrorism in Lisbon on September 1-2, 2003.

In order to develop consistently the SCO's relations with other states and international organizations, the Ministers instructed the Council of National Coordinators, proceeding from the provisions of the SCO Charter, to get down to preparing the draft documents fixing the status of observer at the SCO and the status of SCO dialogue partners, as well as regulating the procedure of cooperation by the Organization with other international organizations and states in individual areas.

THE MINISTER OF FOREIGN AFFAIRS OF
THE PEOPLE'S REPUBLIC OF CHINA
THE MINISTER OF FOREIGN AFFAIRS OF
THE REPUBLIC OF KAZAKHSTAN



THE MINISTER OF FOREIGN AFFAIRS OF
THE KYRGYZ REPUBLIC
THE MINISTER OF FOREIGN AFFAIRS OF
THE RUSSIAN FEDERATION
THE MINISTER OF FOREIGN AFFAIRS OF
THE REPUBLIC OF TAJIKISTAN
THE MINISTER OF FOREIGN AFFAIRS OF
THE REPUBLIC OF UZBEKISTAN

15) Joint Communiqué Issued at Conclusion of Meeting of the Council of Heads of Government of Member States of the Shanghai Cooperation Organization
Beijing, September 23, 2003

The meeting of the heads (prime ministers) of government of SCO member states took place in Beijing on 23 September 2003. Kazakh Prime Minister Daniyal Akhmetov, Chinese Premier Wen Jiabao, Kyrgyz Prime Minister Nikolai Tanayev, Russian Prime Minister Mikhail Kasyanov, Tajik Prime Minister Akil Akilov and Uzbek Prime Minister Utkur Sultanov attended the meeting.

The prime ministers of the six nations discussed the strengthening of SCO mechanism building and the deepening of cooperation in such sphere as economy and trade and reached consensus on wide-ranging issues in a friendly and constructive atmosphere of mutual understanding.

1. The prime ministers of the six nations pointed out with satisfaction that mechanism building has been improving and cooperation in all fields has been expanding and deepening since the establishment of the SCO. The SCO has gradually developed into an important cooperative mechanism for safeguarding security and stability in Central Asia and promoting the common development of all member states, and is drawing increasing attention from the international community.

The SCO's successful summit in Moscow on 29 May this year is of great significance to the development of the Organization. The consensus and resolutions reached at the Moscow summit marked the Organization's entry into a period of all-round development and provided an important guideline for the SCO's work in the next stage.

A multilevel and multi-area mechanism of meetings has been established and the corresponding legal basis has been laid within the SCO framework. The decision of the Moscow summit to fully launch two permanent organizations of the SCO, namely, the Secretariat in Beijing and the Regional Anti-Terror Agency in Tashkent, no later than 1 January 2004 is of great significance to the development of the Organization.



2. For the purpose of deepening economic and trade cooperation among SCO member states and improving the investment environment on the basis of reciprocity and equality, the prime ministers of the six nations approved an Outline for Multilateral Economic and Trade Cooperation Among SCO Member States.

The prime ministers of the six nations agreed after consultation to prepare and submit to the Russian side draft measures for the implementation of the Outline before 1 January 2004.

3. The prime ministers of the six nations adopted the Budget of the SCO for the Year 2004 and the Regulations on Wages, Safeguards and Allowances for Staff Members of Permanent Organizations of the SCO.

4. The prime ministers of the six nations approved a plan for the organizational setup and personnel arrangements of the executive committee of the Regional Anti-Terror Agency in accordance with the Agreement of SCO Member States on Regional Anti-Terror Agency signed on 7 June 2002.

5. The prime ministers of the six nations pointed out that the departments concerned of all parties have done the work necessary to initiate economic cooperation within the SCO framework in accordance with the Memorandum between the Governments of SCO Member States on the Basic Objectives and Direction of Regional Economic Cooperation and the Initiation of the Process of Trade and Investment Facilitation and other consensuses reached by the prime ministers of the six nations since their first meeting in September 2001. The prime ministers of the six nations were convinced that the deepening of multilateral economic cooperation among SCO member states under the backdrop of globalization and regional economic integration will help develop the economies of member states and enhance the cohesiveness of the Organization.

The prime ministers of the six nations pointed out that the further strengthening of trade and investment facilitation is a major task of SCO's regional economic cooperation at the present stage. SCO member states will adopt measures to promote multilateral cooperation in such fields as energy, information, telecommunications, environmental protection and the comprehensive utilization of natural resources, including the formulation and implementation of projects of common interest in these fields. In the meantime, SCO member states will abide by the long-term objectives of regional economic cooperation laid down in the Outline for Multilateral Economic and Trade Cooperation.

The prime ministers of the six nations expressed their support for the agreements reached at the second meeting of foreign trade ministers of SCO member states held in Bishkek not long ago.



6. The prime ministers of the six nations urged SCO members to further strengthen cooperation in communications and transportation, improve infrastructure construction for communications and transportation, coordinate cross-border transport policies, establish international transportation channels and draft relevant multilateral documents.

The prime ministers of the six nations stressed that the second meeting of communications ministers of six nations held recently in St Petersburg is of positive significance in this connection.

7. The prime ministers of the six nations saw important significance in the deepening of cooperation in disaster relief and prevention, including the promotion of the exchange of information and technology on disaster relief and the training of relevant personnel. The parties will sign the necessary multilateral documents in this connection.

8. The prime ministers of the six nations pointed out that the expansion of cooperation in the cultural sphere among SCO member states is of great importance to the promotion of friendly relations among the peoples of member states. The prime ministers of the six nations supported the proposal of the Republic of Kazakhstan to hold the second meeting of the cultural ministers of six nations in the Republic of Kazakhstan at the end of this year and prepare for the first cultural and art festival of six nations.

9. The prime ministers of the six nations stressed that since the "three forces" of terrorism, separatism and extremism still pose a serious threat to regional security, SCO member states will make positive efforts to implement the Shanghai Convention on Combating Terrorism, Separatism and Extremism signed on 15 June 2001 and finalize the drafting of the SCO's documents on anti-drug cooperation.

10. The prime ministers of the six nations reiterated that the SCO pursues a principle of opening up and is willing to carry out various forms of dialog and cooperation with other countries and international organizations in the economic sphere in accordance with its Charter.

The prime ministers of the six nations agreed after consultation to hold the next regular meeting of SCO prime ministers in Bishkek, capital of Kyrgyzstan, in 2004.

Prime Minister of the Republic of Kazakhstan
Premier of the PRC
Prime Minister of the Republic of Kyrgyzstan
Prime Minister of the Government of the Russian Federation
Prime Minister of the Republic of Tajikistan
Prime Minister of the Republic of Uzbekistan



ⁱ Streshnev, Roman. “By ‘Interaction’ – Against Terrorists” Moscow *Krasnaya Zvezda* August 12, 2003. FBIS Document ID: CEP20030813000193

ⁱⁱ “Kazakh Defense Minister Praises Shanghai Anti-Terror Drill.” *Almaty Khabar Television* August 6, 2003. FBIS Document ID: CEP20030806000326

ⁱⁱⁱ McDermott, Roger N. “Shanghai Cooperation Organization Takes Significant Step Towards Viability” *Eurasia Insight* September 11, 2003.

^{iv} “First Stage of Shanghai Counterterrorism Drill Starts in Kazakhstan” *Almaty Interfax-Kazakhstan* August 6, 2003. FBIS Document ID: DEP20030806000191

^v “Kazakhstan Official Praises Antiterror Practice as Part of Shanghai Organization” *Almaty Khabar Television* August 13, 2003. FBIS Document ID: CEP20030813000350

^{vi} “Beijing Allows Foreign Coalition Troops to Hold Military Exercises Within Borders for the 1st Time” *Hong Kong Tai Yang Pao* August 5, 2003. FBIS Document ID CPP20030805000120

^{vii} “Armed Forces of Shanghai Cooperation Organization Member States Successfully Conclude Joint Antiterrorism Exercise ‘Coalition-2003’” *Beijing Xinhua Domestic Service* FBIS Document ID CPP20030812000165

^{viii} Mukhin, Vladimir. “Political Context of Military Exercises. Troops in Central Asia Learning Not Only to Fight Militants but Also How to Pacify Civilian Population.” *Moscow Nezavisimaya Gazeta* FBIS Document ID: CEP20030811000080

^{ix} “By ‘Interaction – Against Terrorists’”. *Moscow Krasnaya Zvezda* 12 August 2003. FBIS Document ID CEP20030813000193

^x Sun Li. “Troops of Five Countries Will Assemble in August for Combat Exercise with Live Ammunition in the China-Kazakhstan Border Area – China Prepares to Participate in Multinational Military Exercise” *Beijing Huanqiu Shibao* June 2, 2003. FBIS Document ID: CPP20030606000230