

### **3. Shanghai Cooperation Organisation (SCO)**

#### **Why in News?**

- Recently, India's presidency of the Shanghai Cooperation Organisation (SCO) and the G-20, its focus is also on China.

#### **Highlights**

- China's economy grew by 3%. China's GDP (Gross Domestic Product) increased to 121 trillion yuan (approximately USD 18 trillion), registering an annual growth rate of 5.2% over the past five years.
- As a result of continued efforts of the past eight years, China has historically resolved absolute Poverty, with the alleviation of close to 100 million rural residents from poverty.
- Over 70% of the government's expenditure went toward ensuring people's well-being
- In the period 2013-2021, China's contribution to global economic growth averaged 38.6%, higher than that of G7 countries combined (25.7%).
- Ever since the Chinese President proposed the Global Development Initiative (GDI) in a speech at the United Nations General Assembly in 2021, more than 100 countries have expressed their support and over 60 countries have joined the Group of Friends of the GDI
- China is India's second biggest trading partner after the US.
- China and India are important trading partners, with bilateral trade volume reaching USD 135.984 billion in 2022.
- Though there is a trade deficit, India's import of equipment and materials from China does reduce the overall cost of "Made-in-India" products, benefits Indian downstream industries and consumers, enhances the competitiveness of Indian exports, and in turn facilitates India's integration into global industrial and supply chains.
- The Chinese market is open to India, and the Chinese side is happy to see more high-quality Indian goods, cultural and other products entering the Chinese market.
- Investments by Chinese enterprises have created a large number of jobs for the Indian people and contributed to India's economic development.
- The development and revitalisation of China and India embody a boost to the force of developing countries; it is one that will change the destiny of a third of the world's population and have bearing on the future of Asia and beyond.
- As two neighboring and ancient civilisations, with a combined population of 2.8 billion, China and India are representatives of developing countries and emerging economies.

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- India and China are both in the process of national rejuvenation and a crucial period of modernisation where challenges need to be overcome and problems need to be solved.
  - China and India have far more common interests than differences.

