

China launches new cargo service connecting Tibet with Nepal

10/12/2016 22:02 by admin

Beijing: China has launched a new cargo service connecting Tibet and Nepal. On this occasion, dozens of trucks carrying goods worth \$2.8 million (Rs) crossed over the Tibetan border port of Gyirong and headed towards Kathmandu.

The new rail and road cargo service launched on Friday, linking Guangdong, Tibet and Nepal, aims to boost trade with the South Asian neighbour as China pushes forward its Belt and Road (Silk Road) initiative, state-run 'Xinhua' news agency reported on Saturday.

A train carrying products, including shoes, clothes, hats, furniture, appliances, electronics and building materials, covered the 5,200-kilometer distance between Guangzhou, capital of Guangdong Province, and Xigaze in Tibet.

The trucks are responsible for the remaining 870 kilometer of the journey, carrying goods to Gyirong and then to the final stop in Kathmandu, Nepal's capital.

This is the first such consignment being sent to Nepal after new Prachanda government took over from his pro-China predecessor K P Sharma Oli, who had signed the transit trade deal with Beijing in March this year in a bid to reduce Nepal's dependence on India despite it being expensive due to the mountainous terrain.

China also agreed his request to build a strategic railway link between the two countries from Gyirong, the last Tibetan county which shares border with Nepal.

China plans to extend the railway later to India and other South Asian countries to promote trade.

The process of formation of road and rail links however reportedly slowed down after Prachanda's take over resulting in the delay of Chinese President Xi Jinping's visit to Nepal.

However, Xi and Prachanda met on the sidelines of BRICS summit at Goa in October this year.

"The trip between Guangzhou and Gyirong takes about five to six days, much shorter than the 20 days for sea transport," said Yao Yanfeng, general manager of the freight carrier Tibet Tianzhi Import and Export Co. Ltd.

"The time could be cut further to 3.7 days in the future,' the Xinhua report quoted him as saying.

Yao said his company is providing relatively quick delivery service and, despite higher costs, it can meet demand for time-sensitive clients.

"In the slower winter season, the train and trucks will make a round trip every one or two weeks. In the busy season next year, there will be two to three per week and, eventually, we're aiming for four to five trips per week," Yao said.

In May, China opened a rail and road cargo service between Lanzhou in northwest China and Kathmandu.

The new service starting from Guangzhou serves as an important trade passage between China and Nepal.

Guangdong and neighbouring regions, known as China's manufacturing hubs, are a major source of imports for South

Asia, including Nepal.

The trade passage, in line with market demand in the medium and long term, could help boost economic cooperation between Guangdong, Tibet and South Asia, officials said.

Guangzhou port was also used recently to launch China-Pakistan Freight service connecting Karachi's Port Qasim.

With efficient trade transportation, the freight service could help relocate more businesses along the passage, bringing growth momentum and industrial transformation to the plateau region, said Luomei, assistant chairwoman of Tibet autonomous regional government.

Gobinda Bahadur Karki, consul general of Nepal in Lhasa, said the freight service will help boost Nepal's economic growth as well as bilateral trade. To further facilitate trade, China is planning to build a railway between Xigaze and Gyirong to shorten the trip.

Yang Guoliang, an official with the Tibet Autonomous Regional Department of Commerce, said Tibet will build and reopen more border ports to expand the trade passage to South Asia.

The trade passage is a national strategy linking China's economic heartland with South Asia, Yang said.

Apart from ports and trade passages, China will build border economic zones with South Asia, said Wang Yanqing of the transport research institute under the National Development and Reform Commission, China's top economic planning agency.

- (With inputs from PTI)