

A summary of each of China's 14 neighboring countries and how they are positioned, including: Afghanistan, Bhutan, India, Kazakhstan, Kyrgyzstan, Laos, Myanmar, Mongolia, Nepal, North Korea, Pakistan, Russia, Tajikistan and Vietnam



# CHINA BRIEFING

The Practical Application of China Business

Who is influencing China and who China is influencing in the new emerging Asia





# CHINA BRIEFING

The Practical Application of China Business

## China's Neighbors

(Second Edition)

Published by Asia Briefing Ltd.

All rights reserved. No part of this book may be reproduced, stored in retrieval systems or transmitted in any forms or means, electronic, mechanical, photocopying or otherwise without prior written permission of the publisher. Although our editors, analysts, researchers and other contributors try to make the information as accurate as possible, we accept no responsibility for any financial loss or inconvenience sustained by anyone using this guidebook. Great care has been taken in the preparation of this booklet and the information presented is believed to be reliable, but full accuracy cannot be guaranteed.

The majority of statistics are taken from government publications, major news sources and publicly-available third party reports.

© 2011 Asia Briefing Ltd.

Unit 1618, 16/F Miramar Tower

132 Nathan Road, Tsimshatsui

Kowloon

HONG KONG

ISBN: 978-988-15251-7-8

"China Briefing" and logo are registered trademarks of Asia Briefing Ltd.

Asia Briefing Ltd is a Dezan Shira Group company.

Dezan Shira & Associates: [www.dezshira.com](http://www.dezshira.com)



**ASIA BRIEFING**

[www.asiabriefingmedia.com](http://www.asiabriefingmedia.com)

# About Asia Briefing's China Business Guides

---

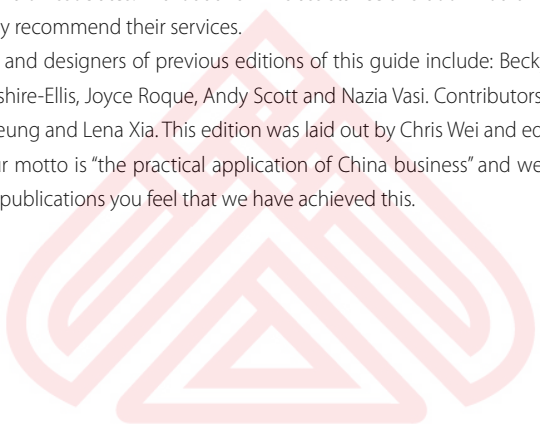
**T**hank you for buying this guide. China Briefing's publications are designed to fill a niche in the provision of information about business in China. This book is a timely reminder of the profound changes that an emerging China is having on the rest of Asia. Rather like throwing a pebble into a pond, the ripples that have spread out from the opening up of China are having a knock-on effect on the economies just across its borders.

Here, we introduce the diversity and developments that are taking place in China's neighbors. The articles and materials within have been researched and written in China by those familiar with the issues faced by foreign invested enterprises. To compile this guide, we have engaged the assistance of a respected professional services firm: Dezan Shira & Associates. Without this firm's assistance this book would not have been possible, and we wholeheartedly recommend their services.
















Contributors, editors and designers of previous editions of this guide include: Becky Jian, Chris Wei, Chua Siew Joo, Chris Devonshire-Ellis, Joyce Roque, Andy Scott and Nazia Vasi. Contributors to the current edition also include Simon Sheung and Lena Xia. This edition was laid out by Chris Wei and edited by Kaitlin Shung.

At China Briefing, our motto is "the practical application of China business" and we hope that within this volume and our other publications you feel that we have achieved this.

Sincerely,  
Asia Briefing



# Contents

 About China's Neighbors.....	6
An Introduction to ASEAN	
World Bank Doing Business Report 2011	
The Shanghai Cooperation Organization	
 <b>AFGHANISTAN</b> .....	9
A Place In Between.....	10
 <b>BHUTAN</b> .....	12
A Changing Country Eyes China with Caution.....	13
 <b>INDIA</b> .....	16
Rivals and Partners.....	17
 <b>KAZAKHSTAN</b> .....	21
Trade and Oil: Central Asia at Stake .....	22
 <b>KYRGYZSTAN</b> .....	25
A Leadership Role in Central Asia .....	26
 <b>LAOS</b> .....	29
Southeast Asia's Poorest Gain Access to Consumer Goods .....	30
 <b>MYANMAR</b> .....	33
China's Burmese Days .....	34
 <b>MONGOLIA</b> .....	37
Eyeing the Vast Resources of a Northern Neighbor .....	38
 <b>NEPAL</b> .....	41
A Foothold in South Asia .....	42
 <b>NORTH KOREA</b> .....	45
Aid, Ideology, and Atomic Bombs .....	46
 <b>PAKISTAN</b> .....	49
An Enduring Alliance .....	50
 <b>RUSSIA</b> .....	53
Partners and Competitors.....	54
 <b>TAJIKISTAN</b> .....	57
Investing in Stability.....	58
 <b>VIETNAM</b> .....	60
Paving the Way for Development.....	61

A summary of each of China's 14 neighboring countries and how they are positioned, including: Afghanistan, Bhutan, India, Kazakhstan, Kyrgyzstan, Laos, Myanmar, Mongolia, Nepal, North Korea, Pakistan, Russia, Tajikistan and Vietnam



## China's Neighbors (Second Edition)

### Who is influencing China and who China is influencing in the new emerging Asia

A look at China's relationship with its 14 neighbor countries: Afghanistan, Bhutan, India, Kazakhstan, Kyrgyzstan, Laos, Myanmar, Mongolia, Nepal, North Korea, Pakistan, Russia, Tajikistan and Vietnam.

This book presents a basic economic overview of each respective country and commentary on the country's relationship with China – economic, political and otherwise. An excellent resource for the China-watcher hoping for a broad 360 degree, cross-border understanding of the country.

*"Whether you are a newcomer to China or already doing business here, you should not be without China Briefing. They are the best in their field and an essential part of any multinational businessman's intelligence on China."*

*-Jack Perkowski, chairman and founder, ASIMCO Technologies; author, "Managing the Dragon"*

*"China Briefing is an established and well respected provider of good quality, useful China legal, tax and business operational information and is a great resource to European investors."*

*-Joerg Wutte, former president, European Chamber of Commerce, Beijing*

*"China Briefing is a must-read resource for anyone involved in China business. With so much material available on the mysteries of doing business in China, it is refreshing to read these practical, down to earth guides. They are well produced, easy to read, and incredibly insightful!"*

*-Michael Cronin, COO, Peony Capital, Beijing*

Published by Asia Briefing Ltd.  
All rights reserved.  
©2011 Asia Briefing Ltd.  
Unit 1619, 16/F, Miramar Tower,  
132 Nathan Road, Tsimshatsui  
Kowloon  
HONG KONG

[www.china-briefing.com](http://www.china-briefing.com); [www.asiabriefingmedia.com](http://www.asiabriefingmedia.com)

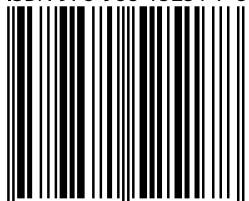
"China Briefing" and logo are registered trademarks of Asia Briefing Ltd.

Asia Briefing Ltd. is a Dezan Shira Group company; [www.dezanshira.com](http://www.dezanshira.com)



ASIA BRIEFING

ISBN 978-988-15251-7-8



9 789881 525178