

Business

China opposes Taiwan 'joining trans-Pacific trade agreement'

CPTPP - the region's biggest free-trade pact

TAIPEI: China yesterday said it opposed Taiwan joining a major trans-Pacific trade deal just days after Beijing said it wanted to become a member of the same agreement. Signed by 11 Asia-Pacific countries in 2018, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is the region's biggest free-trade pact and accounts for around 13.5 percent of the global economy. Taiwan has lobbied for years to join and announced yesterday it had officially applied. "Taiwan can't be left out in the world and has to integrate into the regional economy," cabinet spokesman Lo Ping-cheng told reporters.

But China, which claims self-ruled, democratic Taiwan as its own territory, said Taipei should not be allowed to join. "We firmly oppose any country having official exchanges with Tai-

wan and firmly oppose the Taiwan region's accession to any official treaties or organizations," foreign ministry spokesman Zhao Lijian told reporters. Last week China submitted its own application to join the CPTPP. Negotiations for the sweeping trade deal were initially led by the United States as a way to increase its influence in the Asia-Pacific region.

It was originally designed to keep China, which has its own regional trade deal, locked out. But former US president Donald Trump, who disdained multilateral agreements, pulled out of the deal in 2017. The CPTPP is the successor to those negotiations and currently includes Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, Peru, New Zealand, Singapore and Vietnam. Those hoping to join must have the unanimous support of all the pact's

member countries, something both China and Taiwan may struggle to obtain.

China's application comes at a time when Beijing is feuding with a host of Western nations, especially Australia, which it has placed trade restrictions on. Australia this week said China must end a freeze on contact with senior Australian politicians if it hopes to sign up. Meanwhile smaller countries within the CPTPP are unlikely to want to risk incurring Beijing's wrath by agreeing to let Taiwan join.

China's authoritarian leaders have vowed to one day seize Taiwan, by force if necessary. They have ramped up economic, military and diplomatic pressure on the island since the 2016 election of President Tsai Ing-wen who views Taiwan as a sovereign nation. China often sends military aircraft into Taiwan's air defense zone

to display displeasure. Yesterday, Taiwanese officials said 19 Chinese planes - including 14 fighter jets and two nuclear-capable bombers - crossed into the zone, one of the biggest incursions in months.

But China's growing threats towards Taiwan have generated international sympathy for the island among Western powers. Tokyo responded favorably to Taiwan's application. "Japan welcomes Taiwan's application to join the Trans-Pacific Partnership," Japanese foreign minister Toshimitsu Motegi told reporters in New York. John Deng, Taipei's lead trade negotiator, said he expected Chinese opposition but portrayed Taiwan as a more reliable free-trade partner. "We have the foundation of democracy and the rule of law so all our regulations are transparent and we respect private properties," he said.— AFP

Evergrande's founder calls for construction, sales to resume

BEIJING: The head of teetering Chinese developer Evergrande has urged staff to resume construction and sales to deliver properties, state media reported yesterday, as the firm battles to avoid a collapse that could send shockwaves through the world's number two economy. Furious homebuyers and investors around the country have gathered to demand repayment as the developer drowns in a sea of debt worth more than \$300 billion, and struggles to meet its obligations.

The comments came as the company was due to pay interest to foreign bondholders yesterday, with expectations it will miss the deadline, starting the clock on a countdown to what could be a default in 30 days. Evergrande had not issued any statements on the bond deadline as of yesterday evening. Financial regulators recently urged Evergrande representatives to avoid a near-term default on dollar bonds and focus on repaying individual investors - but without offering financial support. Bloomberg reported yesterday. Analysts Capital Economics estimate Evergrande has committed to complete some 1.4 million properties - around 1.3 trillion yuan (\$200 billion) in pre-sale liabilities, as of the end of June.

Xu Jiayin, the billionaire who founded the company in 1996, called more than 4,000 Evergrande managers to a meeting shortly before midnight on Wednesday, asking them to "devote all their energy to resuming work and production and ensuring that properties are delivered", the state-owned China Securities Journal reported. He also said the group must "make every effort to fulfill" payment plans the company had previously announced, the Journal reported.



SHANGHAI: A general view shows the Evergrande Center building in Shanghai. —AFP

The privately-owned conglomerate had previously offered to repay some debts in kind, promising creditors including suppliers, contractors and investors parking spaces and commercial units instead of cash. Xu on Wednesday night promised to maintain a "highly responsible attitude toward investors". The crisis sent shivers through world markets on Monday as traders feared a collapse at one of China's biggest property firms would spill over into the economy and have painful knock-on effects globally, just as countries battle to overcome the impact of the coronavirus pandemic.

However, those concerns were eased slightly Wednesday when Evergrande said it had reached a deal with domestic bondholders to repay interest on their notes yesterday. Beijing authorities recently asked local governments to prepare for Evergrande's potential collapse, the Wall Street Journal reported yesterday, suggesting a major state bailout is unlikely. Evergrande's liquidity crunch has triggered public anger and rare protests outside its offices in China as investors and suppliers demand their money back.— AFP

Lonely toil of Belgium's 'last shale miner'

VRESSE-SUR-SEMOIS: For the past decade, Vincent Theret has worked alone in a deep hole under the wooded Ardennes hills of southern Belgium. Boasting of being the last of his kind, he harvests slabs of blue-tinged shale, left behind as waste in what was once a thriving slate mine that closed in 1948. The shale was too hard to be worked as slate, but in the hands of the 61-year-old craftsman it is now used in decorative masonry and paving, tiles and sinks, for householders who prize its hard-wearing elegance.

But as a source of architectural flair, rather than of a mass-market roofing material, the drift mine in Alle-sur-Semois no longer supports a large mining community ... just Theret, who rents access to the cavernous pit from the local council and ventures in alone. It's dark, damp and po-

tentially dangerous but, Theret told AFP, "the day I'm afraid to go into the mine, I'll stop."

Inside the gallery, lit by spotlights, he manoeuvres an excavator to load tons of stone. "You have to be careful, you don't go in there like you're going to the fair," he says, recounting that one day when he arrived on the spot he found a 500-tonne block that had broken from the wall. "I listen to the mine, to the drops of water falling from the vault, to the cracks. You have to listen, you have to observe", explains the man who was first a bricklayer, then worked in an open-cast quarry before bringing this former slate mine back to life in 2012. At the Vresse-sur-Semois site, another old gallery has been fitted out for tourist visits, to tell the story of the daily life of the former miners, driven out of business by competition from foreign slate exporters. Theret says that he thinks about these miners every day as he recovers their shale waste. "What they are giving me here is great... The good stone, we go and get it from the bottom, that's why the miners went down so deep. The further down you go, the more moisture the stone has and the more beautiful it is, better quality." — AFP



ALLE, Belgium: Belgian miner Vincent Theret (said to be the last miner of Belgium) works outside the 'Grand ouvrage' shale mine in Alle, near Semois. — AFP