

Portugal Again Becomes A Hub of the Maritime Silk Road

by William Jones

April 1—The first Westerners to venture out to find a sea route to the East, after the land route had been closed by the conquest of the Middle East by the Ottoman Turks, were the Portuguese traders. The Portuguese explorer Vasco da Gama was the first European to sail around the southern tip of Africa and by that route reach India and lands further to the East. Da Gama was born in the port town of Sines, 166 km south of Lisbon. Sines is the largest deep water port in Portugal, and it is perhaps by a certain historical irony that da Gama's birthplace is on the verge of becoming one of the European hubs of China's enormous Belt and Road Initiative (BRI).

The first missionaries to travel to China in the 16th Century were also from Portugal, and their first major port of call, which later became a Portuguese colony, was the island of Macau. Macau is today the most densely populated region in the world. While Han Chinese now make up 95% of its population, 2% is still of Portuguese and/or mixed Chinese/Portuguese descent, even after its return to China in 1999. Macau serves as an important transmission belt between China and the Portuguese-speaking countries in Europe, the Americas, and Africa. So the Portuguese connection to China is particularly strong, and when the BRI was launched by China's President Xi Jinping in 2013, the Portuguese in Macau—and in Lisbon—were following developments very closely.



Port of Sines, Portugal.

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In July 2016, China and Portugal signed a memorandum of cooperation which mentions Portugal's participation in the BRI. Portugal also confirmed that it was willing to issue debt on the Chinese financial market, becoming the first country in the Eurozone to issue so-called "Panda Bonds." Portuguese Prime Minister Antonio da Costa visited China in October 2016 and confirmed the country's interest in a close working relationship with China on the BRI.

In December 2016, some Portuguese businessmen and activists set up the New Silk Road Friends Association to help in lobbying to bringing the Belt and Road to Portugal. Fernanda Ilheu, the president of the association, said, I thought we needed a think-tank in Portugal for this initiative, to see how we can jointly build the



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Portuguese Prime Minister Antonio da Costa.



Portugal's Minister of the Sea, Ana Paula Vitorino.

New Silk Road with China, mostly the Maritime Silk Road, where we have a lot of experience, tradition, and knowledge. Portugal needs to focus on this initiative, find out more, promote it, and understand how we can cooperate. That's the basis of our association."

Portugal in the World

Portugal is now working to have the new rail connections between Chongqing, China, and Madrid, Spain extended to Sines. There is already a tremendous amount of traffic, also coming through the 21st Century Maritime Silk Road, from Asia and Africa. Were Sines to be linked up with Madrid, this link would become a focal point for both of these Belt and the Road connections. This was discussed at a conference in Lisbon last month on the subject of Portugal's participation in the Belt and Road. The Chinese Ambassador to Portugal, Cai Run, who spoke there, said, "China values Portugal's role in the Belt and Road Initiative very highly and is willing to proactively push ahead with increased, pragmatic Chinese and Portuguese cooperation under the BRI framework." Hailing the initiative as "a great platform to promote mutual benefits" and "a new driving force for global economic growth," the ambassador described Portugal as "an important spot on the Maritime Silk Road."

The Port of Sines is also the first and largest artificial port of Portugal. It is surrounded by relatively calm waters. It is now working at capacity almost 24 hours a day. There are already plans for expanding

the Sines port, and building another, even larger port, further north along the coast. Much of Chinese trade with Africa and with Europe transits Sines. It is also an important hub for trade from the Americas, and for trade transiting the Panama Canal. This will only increase if the Chongqing-Madrid line is extended to Sines.

China is also collaborating closely with Portugal on the development of aquatic technology, the so-called "blue economy." Portugal's Minister the Sea, Ana Paula Vitorino, accompanied by representatives of 39 Portuguese port and related companies, visited China last November to concretize Portugal's participation in the Maritime Silk Road. No specific details were made public, but the Portuguese businesses represented are leading port operators,

construction companies, logistics operators, naval boatyard repair works, and engineering, energy, fishing, and aquaculture transformation companies.

Vitorino also met with the President of the Development Bank of China. She reported that agreements had been reached between Portuguese and Chinese companies to form consortia that would compete for several of the planned investment projects. A statement issued by the Ministry of the Sea said, "The visit is part of the dissemination of the strategy to increase the competitiveness of ports which includes, among others, new large-scale private projects like the new Container Terminal of Sines, Terminal Vasco da Gama; the New Barreiro Multimodal Terminal; and the new terminal in the port of Leixoes [near Porto in the north of Portugal], which are fundamental to increasing the capacity of the national ports."



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Container Terminal XXI at the Port of Sines.