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**THE NATIONAL PEOPLE'S
CONGRESS ADVANCES
RULE OF LAW**

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Ethnic minority deputies wave farewell on March 15 when the Third Session of the 12th National People's Congress (NPC) comes to an end at the Great Hall of the People in Beijing. *Chen Wen*





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COVER: The Third Session of the 12th National People's Congress (NPC) convenes from March 5 to 15, 2015 at the Great Hall of the People in Beijing. CFP



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The National People's Congress advances rule of law



The closing meeting of the Third Session of China's 12th NPC is held at the Great Hall of the People in Beijing on March 15. Ma Zhancheng



Zhang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC), presides over the closing meeting of the Third Session of the 12th NPC at the Great Hall of the People in Beijing on March 15. *Lan Hongguang*



The National People's Congress (NPC) concluded its annual session on March 15, 2015.

The session fulfilled its task, building consensus among the people, clarifying the missions ahead and raising confidence, said Zhang Dejiang, chairman of the NPC Standing Committee, who presided over the closing meeting.

The NPC deputies approved a number of important documents, including the Government Work Report, the national economic and social development plan and the central budget.

They endorsed the work reports of the NPC Standing Committee, the Supreme People's Court and the Supreme People's Procuratorate.

One of the most important outcomes at this session is the revision to the Legislation Law, Zhang said.

The revised law improves legislative system, further clarifies legislative power and streamlines the procedure, he said.

The law is of great significance to the effort of perfecting the socialist legal system centering on the Constitution, he said.

The top legislator stressed that all work should center on the strategic layout of "Four Comprehensives", i.e. comprehensively build a moderately prosperous society, comprehensively deepen reform, comprehensively implement the rule of law, and comprehensively strengthen Party discipline.

"The NPC is facing new requirements and having new tasks to keep a balance between reform and legislation," he said.

While adhering to the socialist legal system with Chinese characteristics, the NPC will work to ensure that all reform measures are in conformity with laws and legislation is updated according to the needs of the reform and economic and social development, he said.

Zhang stressed the role of people's congresses as a major platform to connect with the people in a bid to push forward socialist democracy.

Zhang called on all NPC deputies to enhance their sense of responsibility, develop close contacts with the people, promptly respond to people's requests and be supervised by them.

The lawmakers also approved the resignations of two NPC Standing Committee members, Chen Jining and Chen Hao, at the closing meeting.

Chen Jining took the office as minister of environmental protection in February. Chen Hao was appointed vice governor of Southwest China's Yunnan Province last October and elected the governor in January.

According to the Constitution, NPC Standing Committee members, elected from NPC deputies, are not allowed to take posts in governments, courts and procuratorates.

The NPC Standing Committee accepted their resignations in February and last November respectively and submitted them to the full session for final confirmation. (Xinhua) ■

Report on the work of the Standing Committee of the National People's Congress (excerpts)

Delivered at the Third Session of the 12th National People's Congress on March 8, 2015

Zhang Dejiang, chairman of the NPC Standing Committee

Major Tasks for 2015

In 2015, the overall requirements for the work of the NPC Standing Committee are as follows: comprehensively implement the guidelines of the 18th National Party Congress and the third and fourth plenary sessions of the 18th CPC Central Committee; hold high the great banner of socialism with Chinese characteristics; follow the guidance of Deng Xiaoping Theory, the important thought of Three Represents, and the Scientific Outlook on Development; put into practice the guiding principles from General Secretary Xi Jinping's major speeches; remain committed to integrating leadership by the Party, the position of the people as masters of the country, and the law-based governance of the country; and focus on the strategic goals of finishing building a moderately prosperous society in all respects, comprehensively deepening reform, fully advancing law-based governance of China, and promoting all-round strengthening of Party self-conduct as we perform our functions and powers and carry out our work in accordance with the law. We also need to give full play to the NPC's role as the highest organ of State power in building China into a socialist rule of law country; uphold the authority of the Constitution and other laws; promote socialist rule of law; and make new contributions toward achieving the Two Centenary Goals* and realizing the Chinese Dream of the great rejuvenation of the Chinese nation.

中华人民共和国第十二届全国人民代表大会第三次会议

The second plenary meeting of the Third Session of China's 12th NPC is held at the Great Hall of the People in Beijing on March 8. *Li Xiang*

Improving the socialist system of laws with Chinese characteristics, at the heart of which is the Constitution

As we implement the guidelines of the Fourth Plenary Session of the 18th CPC Central Committee, we need to begin with legislation, focusing on the key task of improving the quality of legislation. We will coordinate our legislative work with the country's decisions on reform to make sure that all of the country's major reforms have a legal basis, and that legislative work is carried out proactively to meet the needs of reform as well as economic and social development, thereby letting legislation play its role of guiding and driving reform and development.

We will improve the systems for enforcing the Constitution and for overseeing its enforcement.

Enforcing the Constitution is a priority and a fundamental task in building China into a socialist rule of law country. Spreading knowledge about the Constitution and establishing and safeguarding its authority among the public must be viewed as major tasks in fully advancing the law-based governance of the country, which should be carried out properly and without delay. We will improve the mechanism by which the NPC and its Standing Committee oversee the enforcement of the Constitution, put in place sound procedures and mechanisms to interpret the Constitution, and develop a system of pledging allegiance to the Constitution for officials assuming office. We will work hard to ensure proper record-keeping and review of normative documents, and to see that, in accordance with legal procedures, any normative document that conflicts with the Constitution or other laws is rescinded or corrected.

We will advance legislation in key areas.

Keeping closely in mind the practical needs in the country's economic and social development, we will adopt a coordinated approach with clear priorities and establish legislative tasks in a well-conceived way.

First, we will improve the system of laws for the socialist market economy. We will make revisions to the following laws: the Securities Law, the Law on Promoting the Application of Scientific and Technological Advances, the Seed Law, the Law on the Contracting of Rural Land, and the Advertising Law; we will intensify our efforts to research and begin work on developing a civil code.

Second, we will improve legislation on democracy. We will revise the Electoral Law for the National People's Congress and Local People's Congresses, the Organic Law of the Local People's Congresses and Local People's Governments, the

Law on Deputies to the National People's Congress and Deputies to Local People's Congresses, and the Law on Administrative Review. We will develop national legislation to fight corruption and work out revisions to the Law on Administrative Supervision.

Third, we will push forward with legislation concerning social issues. We will work on a community correction law, an anti-domestic violence law, a law on traditional Chinese medicine, and a charity law. We will revise the Food Safety Law and the Law on the Red Cross Society, and pass Amendment IX to the Criminal Law.

Fourth, we will advance legislation concerning cultural, educational, and ecological issues, work to formulate a law for guaranteeing public cultural services and a law on national medals and titles of honor, and revise the Air Pollution Prevention and Control Law as well as educational laws.

Fifth, we will uphold the rule of law in our efforts to advance national security. We will formulate a national security law, an anti-terrorism law, a law on the management of international NGOs in China, and a cyber-security law.

We will improve our legislative systems and mechanisms.

The NPC and its Standing Committee will continue to play the dominant role in legislative work. We will make adjustments to the legislative plans of the Standing Committee. We will establish a mechanism by which the NPC's special committees and the working committees of the NPC Standing Committee organize relevant departments to participate in the drafting of major laws, and establish a sound system whereby specialists act as legislative advisors to the special committees of people's congresses and to the working committees of the standing committees of people's congresses. By strengthening the ranks of those working on legislation, we will improve our capacity for carrying out

legislative work.

We will ensure that the NPC better organizes and coordinates legislative work and improve the channels and ways through which legislative bodies lead legislation and other sectors of society participate systematically. We will expand the role played by NPC deputies in the drafting and revising of laws by extensively consulting with them, and then fol-



Zhang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC), delivers a work report of the NPC Standing Committee during the second plenary meeting of the Third Session of the 12th NPC at the Great Hall of the People in Beijing on March 8. Xie Huanchi

Note:

* The Two Centenary Goals are to finish building a moderately prosperous society in all respects by the time the CPC celebrates its centenary in 2021; and to turn China into a modern socialist country that is prosperous, strong, democratic, culturally advanced, and harmonious by the time the People's Republic of China celebrates its centenary in 2049.

lowing up on and adopting their useful suggestions. We will hold consultations on legislation with a view to putting into practice the guidelines for strengthening the development of socialist consultative democracy.

We will improve the mechanisms by which legislative bodies communicate with the general public, expand the channels for citizens' systematic participation in the legislative process, and enhance the publicity of legislative work. We will create better mechanisms for soliciting comments on legislation from local people's congresses, and explore ways of staying connected to local communities on legislative issues. We will continue to improve our legislative work by making legislation more targeted and refining the legislative process.

Strengthening oversight over compliance with laws and over the work of the State Council, the Supreme People's Court, and the Supreme People's Procuratorate

General Secretary Xi Jinping stated that "the important principle behind the system of people's congresses and the basic requirement of its institutional design are to subject the exercise of power by all State organs and their employees to constraints and oversight." The NPC and its Standing Committee must perform their constitutional and legal duties of oversight and safeguard the unity, sanctity, and authority of the country's legal system.

We will increase efforts to monitor and inspect compliance with laws.

Adapting to the new situation in fully advancing the law-based governance of the country, we will facilitate the State Council's efforts toward carrying out administration in accordance with the law and the efforts of the Supreme People's Court and the Supreme People's Procuratorate to administer justice in an impartial way, ensuring that laws are enforced properly and effectively.

We will arrange inspections of compliance with the Law on the Prevention and Control of Water Pollution, the Law on the Protection of Consumers' Rights and Interests, the Agriculture Law, the Law on Regional Ethnic Autonomy, the Law on Guaranteeing the Rights and Interests of Senior Citizens, and the Law on Vocational Education. We will intensify efforts to inspect law enforcement and make our work in this regard more authoritative, targeted, and effective.

We will step up oversight over the work of the State Council, the Supreme People's Court, and the Supreme People's Procuratorate.

Adapting to the new normal in the country's economic development, we will give impetus to implementing the major policies and plans of the CPC Central Committee.

We will listen to and deliberate on reports from the State Council regarding its work and progress in promoting deeper integrated development of information technology and industrialization through the application of new advances in information technology, facilitating development of the pilot free trade zones, developing the system of public cultural services, stabilizing and improving rural land contract relations, and deepening reform of the medical and health care systems.

We will strengthen oversight over judicial activities, and listen to and deliberate on the Supreme People's Court's re-



The second plenary meeting of the Third Session of China's 12th National People's Congress (NPC) is held at the Great Hall of the People in Beijing on March 8. Ma Zhancheng

port on judgments in administrative cases and the Supreme People's Procuratorate's report on its oversight over the enforcement of penal decisions.

We will strengthen oversight over budgets and final accounts.

Examining and approving government budgets and final accounts and overseeing the implementation of budgets are legally mandated powers of all levels of people's congresses and their standing committees.

The revised Budget Law has made new provisions and set forth new requirements concerning the scope of government budgets and final accounts subject to review and oversight, the review procedures and areas of priority, and the bodies charged with exercising oversight and their responsibilities. We will make the most of the opportunity that comes with implementing the revised Budget Law to earnestly strengthen review and oversight over budgets and final accounts.

We will listen to and deliberate over reports on the government's final accounts, auditing work, and implementation of budgets, and review and approve the central government's final accounts for 2014. We will listen to and deliberate on a report from the State Council on strengthening the management of government debt, and carry out research on how to improve budgeting for State capital operations.

We will continue to explore ways to improve oversight work in order to make it more targeted and effective. We will strengthen the role of special inquiries, and carry out special inquiries during our listening to and deliberation over reports on inspections of the enforcement of the Law on the Prevention and Control of Water Pollution and the Law on Vocational Education.

We will strengthen follow-up oversight, and make ar-



rangements for listening to and deliberating on the State Council's feedback report on how it has responded to our report on inspections of the enforcement of the Air Pollution Prevention and Control Law and our comments, as well as its report on its work to correct the serious problems uncovered through auditing.

We will carry out research on certain major issues in compiling the 13th Five-Year Plan and make arrangements for listening to and deliberating on the reports produced therein.

Deepening and expanding work related to deputies

General Secretary Xi Jinping has made it clear that "State organs at all levels and their employees must use their authority and perform their duties to benefit and serve the people; adopt the idea that strengthening ties with the deputies to people's congresses and the general public is an integral part of being responsible to the people and accepting their oversight; and listen to the comments and suggestions of deputies and the people with an open mind."

The Standing Committee must take the lead in conscientiously putting these requirements into practice; actively respond to people's concerns by strengthening contact with them and the NPC deputies in more areas and through a wider variety of channels; be where the people need it to be; voluntarily accept the oversight of the people; and constantly improve the work of the NPC.

We will uphold and improve the system by which members of the Chairperson's Council and the Standing Committee maintain direct contact with NPC deputies, and support and ensure deputies' efforts to listen extensively to the people's suggestions regarding the legislative and oversight topics of the Standing Committee and proactively deliver these

suggestions to the Standing Committee.

We will see that the Standing Committee, the special committees, and the working committees inform deputies of important developments in the work of the NPC and solicit their comments and suggestions on these developments, and make sure this work becomes regular practice. We will improve the system of soliciting suggestions from deputies on the drafting of laws.

We will see to it that the State Council, the Supreme People's Court, and the Supreme People's Procuratorate hold forums for NPC deputies at regular or irregular intervals to listen to deputies' views on their major decisions and endeavors, and thus expand the avenues by which deputies learn about State affairs and developments.

We will introduce guidelines on helping deputies maintain contact with the people in order to foster closer ties between deputies and the people. We will set up a platform for NPC deputies to better perform their duties, and encourage them to participate in the activities of the liaison offices of their respective local people's congresses. Through these efforts to extensively and directly listen to people's suggestions and to give expression to social conditions and public sentiment, we will be able to better pool together and draw from the wisdom of the people. We will organize NPC deputies from relevant sectors to carry out research on issues of wide public concern which we have chosen and create proposals and suggestions.

We will give full play to the role of deputies, and strengthen our capacity to help them perform their duties in accordance with the law. We will improve the system of study and training for deputies as well as mechanisms to raise their ability and professional competence.

We will refine the mechanisms for deliberating on deputies' proposals and better integrate the deliberation of their proposals with legislative work. We will improve the mechanisms for handling deputies' suggestions, by helping the organizations to which deputies' suggestions are referred strengthen direct communication and contact with deputies, so that these organizations can effectively improve their work and relevant policies to solve problems. We will actively and steadily make public the suggestions of deputies and the outcomes they produce.

We will improve deputies' political integrity and conduct, support electoral bodies in improving their mechanisms for oversight in accordance with the law, and monitor and encourage deputies in the performance of their duties so that they work diligently and in accordance with the law and the codes of discipline.

The case of vote buying that occurred in the city of Hengyang, Hunan Province, was severely dealt with in accordance with the law and the codes of discipline. We must take this profound lesson to heart, and improve relevant institutions to close all loopholes. We must effectively strengthen the Party's leadership over the election of deputies to people's congresses, be strict in the election of deputies, follow procedures strictly in accordance with the law, make full use of the role of the standing committees of people's congresses at all levels, improve the mechanisms for reviewing deputies' qualifications, and tighten oversight over the whole process of electing deputies in order to ensure that elections are carried out honestly.

We will do our best in carrying out the NPC's foreign

relations work in light of the overall plans of the CPC Central Committee for the country's diplomatic work. We will strengthen the mechanisms for regular exchanges with foreign parliaments and congresses and increase our friendly foreign contacts at all levels so as to consolidate the social foundation and public support for developing long-term stable relations between China and other countries. We will work to create a favorable external environment for domestic development; play an active and positive role in accelerating the country's pace of "going global", promoting the development of the Silk Road Economic Belt and the 21st Century Maritime Silk Road, and protecting China's legitimate rights and interests overseas; and better comply with and serve China's national development strategy.

We will make solid steps forward in strengthening the Standing Committee's self-improvement, increase our sense of political responsibility as representatives of the people in

exercising the power of managing the country, and concentrate our work and efforts on implementing the CPC Central Committee's major policies and plans. We will follow the principle of rule of law in our thinking and action to improve and develop the work of the NPC, and play an exemplary role in respecting, studying, abiding by, and applying the law. We will continue to increase contact with local people's congresses and hold conferences on the work of the NPC. We will put in place long-term mechanisms for making persistent efforts to improve the manner in which we carry out our work. We will improve the bodies of the NPC, and build a highly competent team devoted to legislative work and the work of the NPC as a whole. The bodies of the NPC must support the work of the discipline inspection groups sent to them by the CPC Central Commission for Discipline Inspection and readily accept oversight. (Xinhua) ■

Top legislator stresses CPC leadership, confidence in people's congresses

Top legislator Zhang Dejiang underscored on March 8 the leadership of the Communist Party of China (CPC) in the work of the country's national legislature, while expressing confidence in the system of people's congresses.

The CPC leadership is the most essential feature of socialism with Chinese characteristics, said Zhang, chairman of the Standing Committee of the National People's Congress (NPC), while delivering a work report at a plenary meeting of the top legislature's annual session.

"In adhering to and improving the system of people's congresses, we must unwaveringly uphold the Party's leadership and strengthen our confidence in the system," he said.

"We must improve the system on the basis of upholding the Party's leadership and develop it through practice to ensure it advances with the times," the top legislator added.

According to the Constitution, the 61-year-old people's congress system is the fundamental political system in China, which has about 2.6 million lawmakers at various levels, elected by respective constituencies, directly or indirectly.

Lawmakers are required to learn about the most pressing needs of the people as well as national urgencies. They push forward national and local policies through field studies, collecting public opinion and submitting motions and suggestions.

Looking back on the NPC's Standing Committee work over the past year, Zhang said the top legislature had been upholding the Party's leadership throughout every process and aspect of the work.

"Upholding the Party's leadership over people's congresses is for ensuring that the Party can exercise leadership over the State and society through organs of political power," Zhang said.

He went on to cite a keynote speech made by Xi Jinping, general secretary of the CPC Central Committee, in commemoration of the 60th anniversary of the establishment of the NPC last year, saying that the people's congress system has

provided a fundamental institutional arrangement for integrating leadership by the Party, the position of the people as masters of the country, and the law-based governance of the country.

It is also the fundamental political system underpinning China's governance system and capacity for governance, Zhang added.

Noting that China's system of people's congresses is fundamentally different from the West, Wang Changjiang, a researcher with the Party School of the CPC Central Committee, said the former has the advantage of ensuring people's position as masters of the country.

"Chinese lawmakers come from all walks of life and hence are the living embodiment of the will of the mass," Wang said. "That gives superiority to the people's congresses."

His words were echoed by Lin Yinmao, vice secretary-general of the Shanghai Municipal People's Congress Standing Committee, who noted that lawmakers have spearheaded and helped to push forward reforms vital for the country in the face of the "new normal", via their legislation work.

According to Zhang Dejiang, lawmakers will speed up legislation to fight corruption, and will work to revise the law on air pollution prevention and control in 2015.

Lawmakers are also expected to review draft revisions to China's Legislation Law at the annual session, which bans ministries and local governments from issuing rules and policies that mitigate citizens' rights or increase their obligations without legal foundation.

Liang Ying, a member of the Legislative Affairs Commission of the NPC Standing Committee, meanwhile cast his eyes on a bigger picture, that NPC will play an important role in the implementation of the strategic layout of "Four Comprehensives."

"As the supreme organ of State power, the NPC could serve to push forward the implementation of the 'Four Comprehensives' by pooling wisdom and strength from the entire society," he said. (Xinhua)

Zhang Dejiang stresses implementation of 'Four Comprehensives'



Zhang Dejiang (back, R), chairman of the Standing Committee of China's National People's Congress (NPC) and a member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, joins a panel discussion of deputies to the 12th NPC from east China's Zhejiang Province, in Beijing, March 5. *Ding Lin*

Chairman Zhang Dejiang on March 5 called for enhanced efforts to implement the "Four Comprehensives" strategic layout in order to realize economic and social development targets.

Speaking with lawmakers from east China's Zhejiang Province in a panel discussion on a government work report delivered by Premier Li Keqiang, Zhang said the "Four Comprehensives" offered both theoretical and practical guidance for realizing the Chinese Dream of the great rejuvenation of the Chinese nation.

The "Four Comprehensives" refers to a political concept initiated by President Xi Jinping, which comprises comprehensively building a moderately prosperous society, deepening reform, advancing the rule of law and strictly governing the Communist Party of China.

Zhang said efforts must be made to give priority to sustained social and economic development, while letting the people feel the benefits of the country's growth.

Meanwhile, the authority of China's Constitution must be safeguarded and social fairness and justice maintained, he said, adding that political disciplines must also be strictly enforced, so that the Communist Party of China could remain at the core of China's socialist course with Chinese characteristics. (Xinhua) ■

'Four Comprehensives' a strategic blueprint for China

A moderately prosperous society, reform, rule of law, Party discipline – these "Four Comprehensives" are Xi Jinping's blueprint for China's future.

The "Four Comprehensives" are tasks raised at Communist Party of China (CPC) meetings over the last two years, since President Xi Jinping took office.

The concept was first mentioned by Xi in December, "...comprehensively build a moderately prosperous society, comprehensively deepen reform, comprehensively implement the rule of law, and comprehensively strengthen Party discipline."

Shortly after Xi took helm of the CPC in November 2012, he put

forward the concept of "the Chinese Dream," or "the great renewal of the Chinese nation".

"A moderately prosperous society" is not only the primary objective identified at the 18th Party Congress, but also "a crucial step towards the Chinese Dream of great rejuvenation."

Xi's first trip as China's leader was to Shenzhen, symbolic hub of Deng Xiaoping's reforms, and promised "no stop to reform and opening up".

"Deepening reform" identifies the route to prosperity and social progress.

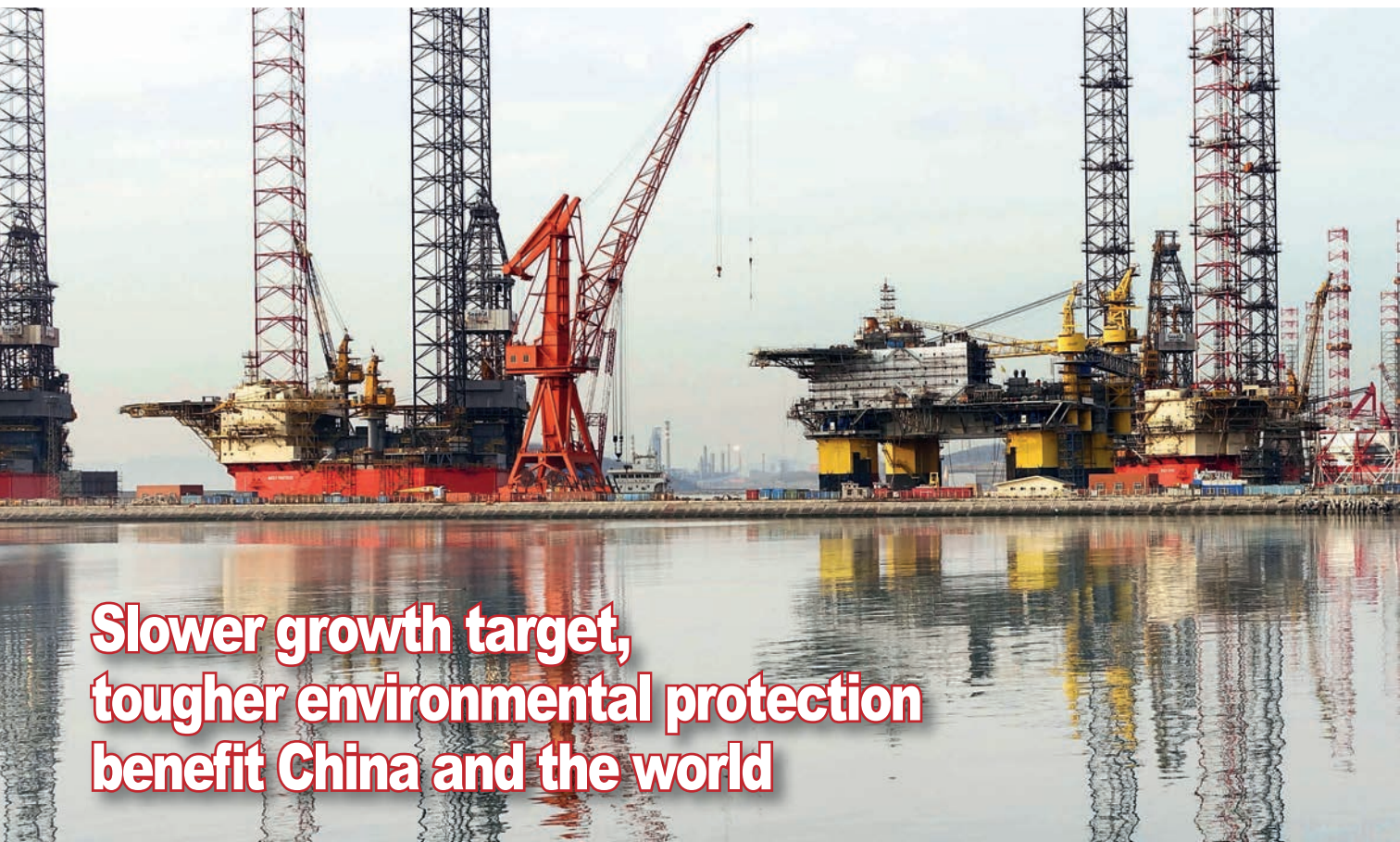
The "Four Comprehensives" come as China pays greater attention to improving governance following the

economic miracle. Social justice has become an important goal.

"The rule of law" came to prominence at the Fourth Session of the 18th CPC Central Committee, and guarantees modernization of the system of government while championing social justice.

The leadership has taken great pains to address corruption, which they believe may threaten the very survival of the Party and the State: "Strengthening Party discipline" is a must for the CPC to survive.

The "Four Comprehensives" will ensure China continues steadily on its path of development. (Xinhua)



Slower growth target, tougher environmental protection benefit China and the world

The picture shows an operating area of the Dalian Shipbuilding Industry Offshore Co., Ltd. in Liaoning Province. CFP



The slower growth target and the increasing emphasis on environmental protection that feature in China's annual "two sessions" show that Chinese policy-makers have adopted a more mature view on development, which will eventually benefit the world.

In March 2015, the world has kept a close watch on China's annual sessions of the National People's Congress and the National Committee of the Chinese People's Political Consultative Conference.

Among many significant decisions, the around 7 percent growth target for 2015 and the toughening of environmental rules should be considered as particularly good news for China and the world as well.

The lower growth expectation set by the Chinese government is in accordance with the "New Normal" showing that China is transforming into a more advanced economy with reforms taking place in different sectors.

Seeing the limitations of the former development model, which relied heavily on fixed asset investment and exports, China now aspires to steer its economy to a more sustainable track, valuing the quality over the quantity of the economic growth.

Needless to say, a healthy Chinese economy, which stood at over \$10 trillion in 2014, is conducive to global economic development, and countries delivering consumer goods and services to China will be benefited.

In addition, the highlighting of environmental protection in the annual political event is a move that further



proves China is seeking a better and sustainable path for development.

Over the past three decades, prioritizing economic development over environmental protection was a common practice among Chinese central and local governments.

But now China has decided to forsake the unbalanced pursuit of economic growth, as policy-makers highlighted environmental protection as one of the top priorities for China in 2015.

A new environmental law launched in January has toughened penalties over pollution and made clear that many public-interest groups have the right to sue liable parties.

The lower growth target and new accentuation of environmental protection will create a virtuous cycle, as less fixed asset investment will lead to less pressure on the environment and the toughening of environmental laws will force the backward industries to exit.

Shifting from the extensive way of growth, China now can focus on facilitating innovative industries that impose less pressure upon the natural resources and environment. And given China's large reserve of talent, the country's innovation will eventually boost the world's economy in a more powerful way.

Moreover, China's efforts on dealing with pollution will not only improve the country's own natural environment, but also contribute to the environmental issues across the world, including global warming, the deterioration of ocean water conditions and so on. (Xinhua) ■

Streamlining administration is government's self-reform

Premier Li Keqiang said on March 15 that he is determined to keep the reform process going despite the acute pain in the process, vowing to reduce more government power lists.

"The pain (of reform) is still there and is becoming more acute. The government is reforming itself. Vested interests will be upset. This is not nail-clipping but taking a knife to one's own flesh. We are determined to keep going until the job is done," he said at a press conference in Beijing.

Li acknowledged that some reform measures have yet to be fully implemented, pledging to step up efforts and cut "all non-government review items."

He rejected concerns about the possible impact of the reform on China's economy.

"The reform of streamlining administration and delegating government powers will increase market vitality and allow us to cope with the slowdown," he said.

A State Council document published measures in February to speed up the administrative approval process, listing 10 ways to set time limits for the process and improve transparency.

Decisions on approval must be announced within a limited time and may not be prolonged for any reasons, according to the document. There should be "green passages" to give priority to projects supported by the government.

Last year, the State Council has required all central government departments to make public catalogues of their remaining administrative approval items.

China has been streamlining the procedure and delegating powers in the hope of stimulating the market. In the past two years, 798 administrative approval items have been canceled or delegated to local governments. (China Daily) ■



As many as 109 official seals were displayed at a museum in Tianjin on November 15, 2014, after they were locked up to reduce red tape and streamline administrative approval. CFP

China sanguine on economy under new normal

By Zhu Shaobin



The new year sunrise as seen on the sea on January 1 in Rizhao, Shandong Province *Zheng Zhicheng*

Economic growth in China may be slowing but the world's second largest economy is sanguine about growth stability and prospective improvements.

Moving away from the double-digit growth of the most recent decade, the economy has been facing notable downward pressure and has entered a stage known as the new normal, characterized by slow, but higher quality growth.

The economy posted 7.4 percent growth in 2014, its weakest since 1990 amid weaknesses in investment, consumption and overcapacity. The annual growth target was lowered to around 7 percent for 2015.

However, as a developing country, Chinese authorities have faith in the country's growth potentials.

Premier Li Keqiang said that he was "fully confident" of the economy.

"Our country's development has enormous potential and is hugely resilient, with ample room for growth," Li said during his delivery of a government work report to the annual session of the National People's Congress (NPC).

Chinese authorities have faith in the country's growth potentials.

Braving the new normal

Many entrepreneurs are playing down the challenges of the new normal. Qian Yuebao, chairwoman of Jiangsu Menglan Group Co. Ltd., which provides bedding products, is calm about the economic slowdown.

"Cheap labor and intensive use of resources are not sustainable. We knew that many years ago," said Qian, who is also an NPC deputy.

Refusing to settle on low-end manufacturing, more than 10 years ago the company expanded investment to cover research and introduced advanced equipment to establish itself at home and abroad.

Technological upgrade is the way forward for Chinese enterprises trying to find their way amid the new normal.

The business woman said that even in 2008 when the global financial crisis wreaked havoc, exports increased more than 20 percent year on year while many of her competitors suffered.

She said that equipment imported from Germany, Spain and Switzerland slashed labor costs by 80 percent.

The company's success epitomizes the success of the innovation and upgrading drive in Jiangsu Province. The provincial GDP expanded 8.7 percent in 2014, out-pacing national GDP growth.

"Jiangsu Province has topped regional innovation rankings for six years in a row due to science and technology advances," Provincial Governor Li Xueyong said.

High-tech firms in the province accounted for almost 40 percent of industrial output last year, following an influx of talent and skilled workers, he said.

Technological upgrade is the way forward for Chinese enterprises trying to find their way amid the new normal. The sooner upgrades happen, the better for business, NPC deputies agreed.

President Xi Jinping on March 5 called for a quicker roll-out of free trade zone strategy to spearhead reforms, opening-up, and the innovation drive, saying that innovation was the most important driver of development.

7 PCT growth target achievable

Premier Li Keqiang stressed that China must keep a steady growth rate to ensure employment and income continue to increase.

Li hailed mass entrepreneurship, and increased public goods and services provision as the two new engines of growth.

"For the former, the main role for the government will be to provide a conducive environment and lower entry barriers. For the latter, the government will not only increase spending but also invite corporate sector participation," said Wang Tao, chief China economist with UBS.

Zhang Xiaoji, a researcher at the Development Research Center of the State Council, said that a 7 percent growth target would be a challenge given government pressure on pollution and emission control.

"However, I think China is likely to realize a growth speed of around 7 percent," said Zhang.

The "Belt and Road" initiatives as well as China's free trade arrangements with other countries will also help manufacturing exports, said Zhang, who is also a member of the National Committee of Chinese People's Political Consultative Conference (CPPCC), China's top political advisory body.

Justin Yifu Lin, former chief economist and senior vice president of the World Bank, said that China still had great economic development potential in many industries and could beat the growth target of around 7 percent this year.

Lin's optimism is fueled by sectors like equipment manu-

facturing, e-commerce, Internet finance, new energy and environmental protection, which has growth potential.

Mei Xingbao, also a CPPCC member, predicts that a growth rate of 7 percent is possible thanks to the ongoing reform drive which will continue to unleash momentum, encourage private capital investment, and lift consumption.

"The government does not want to undershoot the growth target this year given the government work report explicitly mentioned the importance of a stable growth to support new job creation and ensure stable employment condition," J.P. Morgan China chief economist Zhu Haibin said in a research note.

Zhu said even though the government had reiterated a prudent monetary policy for this year, some flexibility was expected. "The prudent monetary policy is favorable toward easing," he said.

Zhu predicted the central bank will cut reserve requirement ratio (RRR) again in the second quarter.

To offset the slowdown, the central bank has cut the benchmark interest rates twice and dropped the RRR for banks over the past four months. ■



A tower crane lifts a subway car to be exported to Singapore on December 25, 2014 at Yingkou Harbor, Liaoning Province. Bai Xueqi



Pooling strength on 'Belt and Road' strategy

By Lin Jianyang

Scenery of the Tengger Desert in Zhongwei, Ningxia Hui Autonomous Region Wang Peng

The “Belt and Road” initiatives, China’s ambitious trans-Eurasia and across-ocean trade strategy, are among the most extensively referenced topics during the NPC annual session.

Regardless of difficulties, there are clear signals that China is determined to implement the initiatives, which Chinese officials claimed represents a golden opportunity to forge greater cooperation between countries.

“China’s diplomacy in 2015 will focus on making progress in the ‘Belt and Road’ initiatives,” Foreign Minister Wang Yi said on March 8.

China announced on March 12 that the board of directors and the senior management team have been formed in the country’s \$ 40 billion Silk Road Fund, which will start investment soon.

The fund will invest mainly in infrastructure and resources, as well as industrial and financial cooperation, in an effort to achieve common development and prosperity, Jin Qi, chair of the fund, said at a press conference on the sidelines of the session.

Proposed by President Xi Jinping in 2013, the Silk Road Economic Belt and the 21st Century Maritime Silk Road initiatives aim to improve cooperation with countries in a vast part of Asia, Europe and Africa.

The National People’s Congress (NPC) is a platform for the country to create consensus and pool strength for major tasks. This year, it hopes to do so for the “Belt and Road” initiatives.

‘Not Marshall Plan’

In a story published at the end of last year, U.S.-based bi-monthly magazine “Foreign Policy” had listed the “Belt and Road” initiatives as the first of “six trends from 2014 likely to burst into international headlines” for China in 2015.

Its premise was correct, but the story became flawed after trying to compare the Chinese strategy to the U.S.-sponsored Marshall Plan.

The Chinese initiatives are not exclusive and not a tool for geopolitics like the Marshall Plan, which led to the start of the cold war.

“China’s ‘Belt and Road’ initiatives are both much older and much younger than the Marshall Plan. Comparing one to the other is like comparing apples to oranges,” said Wang Yi.

The initiatives are older because they embody the spirit of the ancient Silk Road, which had a history of more than 2,000 years.

The Silk Road was used by people of many countries for friendly exchange and commerce, and the country must renew the spirit and bring it up to date, Wang said.

The initiatives are younger because they are born in the age of globalization.

“They are the product of inclusive cooperation, not a tool of geopolitics, and must not be viewed with the outdated cold war mentality,” Wang said.

The Silk Road Fund is not an aid agency, said Jin Qi, who expects market-oriented principles in operation and rea-



sonable returns for shareholders, including China's foreign exchange reserves, the China Investment Corp., the Export-Import Bank of China and the China Development Bank.

The fund will comply with market rules and the international order of finance, welcoming participation by domestic and overseas investors, such as the China-Africa Development Fund and the Asian Infrastructure Investment Bank, Jin said.

National strategy

The "Belt and Road" initiatives are also an important part in the government work report, delivered by Premier Li Keqiang at the NPC annual session.

Li said China will work with the countries linked by the initiatives to develop them.

"We will move faster to strengthen infrastructure connectivity with our neighbors, simplify customs clearance procedures and build international logistics gateways," Li said.

The Government Work Report highlights strategies such as the "Belt and Road" as key in terms of stabilizing growth while the country further opens and improves the economy, said Zhao Yang, chief China economist of Nomura, Japan's leading financial institution.

As such, the report encourages Chinese firms to actively participate in overseas infrastructure investment and to export machinery equipment.

Li Chunhong, a deputy to the NPC and head of the Guangdong Provincial Development and Reform Commission, said

the south Chinese province has completed formulating the implementation plan for the "Belt and Road" strategy.

Li said Guangdong has selected a number of significant projects to support the implementation of the strategy. Included were a 5-million-tonne oil refining project invested by a private company of Guangdong in Myanmar; a power plant project invested by China Southern Power Grid in Vietnam; and a few banana plantations in the Southeast Asian countries.

Li said Guangdong is playing a vital role and in a good position in the construction of the 21st Century Maritime Silk Road. The transaction between Guangdong and ASEAN has exceeded 100 billion yuan.

A map covering the major countries along the Silk Road Economic Belt has been published in March to push the plan.

According to the Shaanxi Administration of Surveying, Mapping and Geoinformation, the atlas includes geographic, transportation, culture and economic information covering 16 countries and regions including China, Kazakhstan, Iran and Turkey.

The atlas is the first comprehensive profile of the major countries along the silk road.

"People on the Silk Road are 'family members', and the frequent exchanges between them will promote business and trade," said Chen Zixuan, an NPC deputy from Fujian Province, another gateway of the road.

The province has established a free trade zone to boost co-operation between nations.

Zhao Yang expects a detailed roadmap of the initiatives. He says the plan should help mitigate the severe overcapacity problem in upstream industries and boost overseas investment, led by policy financial institutions and large State-owned enterprises (SOEs).

Moreover, it could also promote the internationalization of the Chinese currency Renminbi, Zhao added.

Symphony for all

"If I may use a musical metaphor, the initiatives are not China's solo, but a symphony performed by all relevant countries," Foreign Minister Wang Yi said.

As a major infrastructure equipment exporter, China has



On April 23, 2014, a container freight train leaves Wujiashan Station in Wuhan, Hubei Province, bounding for Europe. Zhong Xin

been pooling efforts to provide badly-needed funds to infrastructure construction, a hindrance to growth of many developing countries.

BRICS countries alone have about \$ 1 trillion each year in infrastructure needs, according to World Bank's calculations. Such funding gaps also exist elsewhere. Foreign assistance is a tiny piece of it and they have to rely on their own resources.

The "Belt and Road" initiatives are a testament to joint efforts by countries involved to overcome funding shortages and improve infrastructure connectivity.

Greater cooperation between nations could sustain economic growth through investing in infrastructure and guaranteeing energy security, said Asanga Abeyagoonasekera, executive director of Sri Lanka's Lakshman Kadirgamar Institute for International Relations and Strategic Studies.

Amin Babar, Consul General of Pakistan in southern China's port city Guangzhou, agreed.

The historic initiatives provide an unprecedented opportunity to the global community to share the fruits of China's economic development, he said.

It is a mark of big thinking by the Chinese leadership to give a share of its hard earned prosperity, particularly to the developing countries of South East Asia, South Asia, Middle East and Africa, in order to achieve a "win-win" prospect.

Abeyagoonasekera said more cooperation under the initiatives will also be a demonstration of the regions' willingness to jointly find solutions to non-traditional threats such as climate change, terrorism and piracy which are issues of global significance.

Wang Yi said that China and Russia will sign an agreement to work on the Silk Road Economic Belt, adding that the practical cooperation between China and Russia is based on



Opera staff working for *Along the Silk Road* take a break on the theater stage in London, Britain on January 11, 2014. The drama depicts a moving story between a Persian merchant, a painter surnamed Zhang and his daughter in Dunhuang, Gansu Province. The Dunhuang frescoes are gems of ancient Chinese art. *Yin Gang*

China's 2015 diplomacy focuses on 'Belt and Road'

China's diplomacy in 2015 will focus on making all around progress in the "Belt and Road" initiatives, said Foreign Minister Wang Yi on the sidelines of the national legislature annual session on March 8.

"The keyword for China's diplomacy in 2015 will be one focus and two main themes," Wang said.

Referring the focus to the progress of "Belt and Road" initiatives, Wang said China will further enhance policy communicating with other countries, expand the convergence of the shared interests and explore possible areas of win-win cooperation.

The priorities will be promoting connectivity, building overland economic corridors and pillars of maritime cooperation, he said.

China will also improve cultural and people-to-people exchanges and speed up talks of free trade areas with relevant countries.

"We are confident that 'Belt and

Road' initiatives will win even more supports and deliver even more early harvests," he said.

Two main themes will be peace and development, the minister noted.

China will work with the international community to mark the 70th anniversary of the end of the World Anti-Fascist War and make itself a strong force for peace by learning the lesson from the past and looking towards the future, he said.

The country will also take an active part in the UN development summit and international cooperation on climate change, he said.

China will play a constructive role in helping to secure a post-2015 development agenda and new international arrangements to address climate change, which are in line with the interests of developing countries, he said.

Summing up China's diplomatic progress in 2014, Wang said it is worth mentioning that China focused

on building a new type of international relations featuring win-win cooperation and has taken a new path of external relations characterized by partnership rather than alliance.

"We have basically established a global network of partnerships," he said. "China's circle of friends and partners has widened and will continue to expand."

China has established different forms of partnership with more than 70 countries and many regional organizations by 2014.

Wang described the year of 2014 as the one of harvest as well as of forging ahead and breaking ground.

China left its own imprint in the history through successfully hosting the meetings of the Conference on Interaction and Confidence-Building Measures in Asia (CICA) and APEC, while taking an active part in settling international hotspot issues, according to Wang. (Xinhua)



mutual need and has enormous internal impetus and room for expansion.

Zhou Xiaochuan, governor of China's central bank, said that China and Russia are exploring novel financial cooperation along the route of the Silk Road.

Challenges ahead

The implementation of the initiatives won't be an easy task, analysts said, citing terrorism and domestic politics of countries involved in the initiatives.

Violence and terrorism remain in China, with the Xinjiang Uygur Autonomous Region in the northwest of the country suffering the most, especially from the Eastern Turkistan Islamic Movement (ETIM), a U.N.-listed terror group.

China has set ETIM as a major target when seeking international cooperation against terrorism.

"Violent terror attacks have provoked strong condemnation and opposition in the region," Chairman of the Xinjiang regional government Shohrat Zakir said on March 10.

Xinjiang, located in the center of Asia and a traditional gateway of the Silk Road, has become a key player for China's exchanges with Europe. The region has pinned much hope on the "Belt and Road" initiatives.

Despite terror threat, Xinjiang is gearing up its efforts to become a "core area" of the Silk Road Economic Belt.

The region will strive to become a center of communications, trade, culture, finance and medical care along the belt, said Zhang Chunxian, Communist Party of China chief of Xinjiang. ■



Silk Road Fund to start investment soon

The board of directors and the senior management team have been formed in China's \$40 billion Silk Road Fund, which will start investment soon, its chair Jin Qi said on March 12.

The fund is not an aid agency, said Jin, who expects market-oriented principles in operation and reasonable returns for shareholders, including China's foreign exchange reserves, the China Investment Corp., the Export-Import Bank of China and the China Development Bank.

The fund will comply with market rules and the international order of finance, welcoming participation by domestic and overseas investors, such as the China-Africa Development Fund and the Asian Infrastructure Investment Bank, Jin said.

The fund is a limited liability company, according to a February statement by China's central bank.

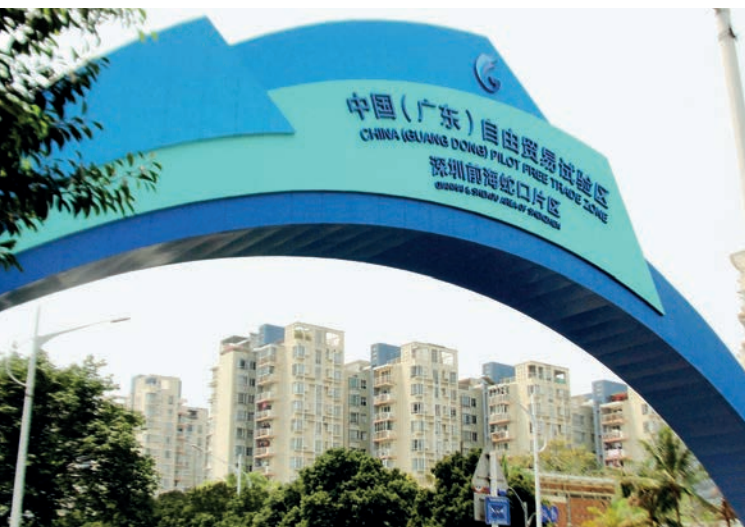
The fund will invest mainly in infrastructure and resources, as well as industrial and financial cooperation, in an effort to achieve common development and prosperity, Jin said at a press conference on the sidelines of China's annual parliamentary session.

The fund is designed to finance the China-proposed "Belt and Road" initiatives, which refers to the Silk Road Economic Belt and the 21st Century Maritime Silk Road in a bid to improve cooperation with countries in a vast part of Asia, Europe and Africa.

"The priority (of the Silk Road Fund Co., Ltd.) is to seek investment opportunities and provide monetary services throughout the 'Belt and Road' initiatives," according to the February statement.

Along the route of the Silk Road, China and Russia are exploring novel financial cooperation, Zhou Xiaochuan, governor of the central bank, said at the same press conference.

China and Russia are huge neighboring economies, with large amount of money in their trade and investment, Zhou said. (Xinhua)



CFP

Free trade zone strategy in speedy implementation

China will quicken the pace of implementing the strategy of free trade zones (FTZs) and turn institutional innovation into a strong impetus for the country's development, President Xi Jinping said on March 5.

To speed up the implementation of FTZ strategy is an important part of a new round of reform and opening-up. China

should aim for high-standard trade and investment rules, and strengthen its capability for allocating financial resources around the world and better serving the country's economic development, Xi said.

Xi made the remarks while speaking with lawmakers from east China's Shanghai in a panel discussion on the Government Work Report delivered by Premier Li Keqiang.

Xi urged Shanghai to continue its leading role in spearheading the country's ongoing reform, opening-up and innovation drive, in an effort to make greater contributions to the nation's reform, development and stability.

"Innovation is the most important driving force for development," said Xi, adding that China needs to break through the system and mechanism barriers to innovation.

To adapt to the "new normal" of the economy, the key is to shift the growth momentum and aim at getting a bigger boost from science and technology innovation, stressed Xi.

The term "new normal" gained ground in China in May 2014, when Xi, during an inspection tour of central China's Henan Province, described the need to remain cool-headed as growth slows.

China's economic growth slowed pace to 7.4 percent in 2014, its weakest annual expansion since 1990.

China should turn innovation achievements into actual productivity at a faster pace, and the foundation of innovation is talents, said Xi.

"Whoever has the top-tier innovation talents can occupy the leading position on science and technology innovation," Xi said.

Being innovative in China's social governance should be based on people's fundamental interests, said Xi, adding that China should foster a team of professional community workers and encourage more service and management resources to flow to the grass-roots units.

Moreover, comprehensively strictly governing the Communist Party of China can guarantee the Party to accomplish many important undertakings with characteristics of the new era, he stressed. (Xinhua) ■

Plans for free trade zones in China approved

Overall plans for three experimental free trade zones (FTZs) in Guangdong, Tianjin and Fujian, and improvements to the Shanghai experimental FTZ were approved on March 24 at a meeting of the Political Bureau of the Communist Party of China (CPC) Central Committee.

Experimental FTZs are important for exploring new paths and acquiring new experiences, said a statement released after the meeting.

The statement said the Shanghai FTZ had made "positive progress" over more than a year, generating a model that can be replicated elsewhere.

The Shanghai FTZ, launched in September 2013, was a testing bed

for administration, investment, finance and services reform.

The new zones, as well as the Shanghai FTZ, will continue striving for institutional innovation, according to the statement.

The FTZs are part of a new, more open economic system, exploring new models for regional economic cooperation, and establishing a law-based climate for business and commerce, the statement said.

Bai Ming, a trade expert with the Ministry of Commerce (MOC), said FTZs can boost exploration of experiences, which can be promoted across the country.

While following in the steps of the Shanghai FTZ, the three new FTZs

will experiment on their own strengths, said Li Guanghui, a trade expert with the MOC.

For example, the Guangdong FTZ will carry out programs on economic integration with Hong Kong and Macao, the Fujian FTZ will stress unified development with Taiwan, and the Tianjin FTZ will highlight coordinated growth with Beijing and Hebei, Li said.

Li Wenpu, vice president of the Xiamen University school of economics, described the FTZs as a pressure test for reform measures and said the free trade zones will press ahead with reforms like streamlining administration, delegation of power and improving efficiency of government departments. (Xinhua)



Zhou Xiaochuan, governor of the People's Bank of China, attends a press conference for the Third Session of the 12th National People's Congress (NPC) on financial reform in Beijing on March 12. CFP

Prudent monetary policy still in place

Chinese central bank governor Zhou Xiaochuan said on March 12 that China is sticking to the prudent monetary policy despite the use of a string of new monetary policy tools.

Zhou made the remarks at a press conference on the sidelines of the national legislature annual session, adding that compared with the large scale of Chinese economy, the scale of those monetary policy tools is not big.

With an economic slowdown, the Chinese economy has entered a "new normal" era, but that means neither the economy is in a condition troubled by particular problems, nor the nation's monetary policy will shift gears, he said.

There will be some "flexibility" of the prudent monetary policy, he said.

China's gross domestic product expanded 7.4 percent last year, its lowest level of growth since 1990. The annual economic growth target for 2015 was set at around 7 percent. (Xinhua) ■



Jing Wei

Fertile soil provided for foreign investment

Premier Li Keqiang's Government Work Report to the national legislature on March 5 has not only revealed the blueprint for China's development in the year to come, but also showed the government's willingness to make easier access for foreign investors.

Addressing the opening of the annual session of the National People's Congress, Li said that China will provide easier market access for foreign investment by loosening regulation.

To further open up China's market, Beijing will cut in half the number of fields in service and manufacturing industries, in which foreign investment has been restricted.

The premier promised a "stable, fair, transparent and predictable" business environment, announcing that China will revise the Catalogue for the Guidance of Industries for Foreign Investment to further ensure that domestic and foreign companies be treated as equals.

From the relaxing of regulation to the removal of market barriers, China promises a higher degree of openness and demonstrates its willingness to provide foreign investors with more opportunities in the world's second-largest economy.

The slowdown is not bad news for foreign investors but opportunities for them to get involved in China's sustainable and quality economic growth.

The current Chinese leadership has vowed to change the country's economic structure heavily driven by exports and investment to one driven also by consumption. Foreign investors, therefore, can benefit from a consumer market with huge potential.

In order to attract foreign investment, Li said that China will advance talks on free trade areas and on investment pacts with the Gulf Cooperation Council members and Israel, and continue negotiations on investment agreements with the United States and the European Union.

According to statistics, in 2014, foreign direct investment in China topped the world with \$ 119.6 billion and the number of new foreign-funded companies increased by 5.76 percent to hit 38,400.

The high-speed expansion of China's economy in the past years has allowed foreign investors to reap handsome returns from their investment. In the year ahead, they will harvest more, for sure. (Xinhua) ■

CFP

guang, chief economist at Mizuho Securities. He predicted the plan will be basically achieved within two years.

The Chinese central bank also said in January it will accelerate financial reforms and opening-up this year, including pushing forward the yuan's convertibility under the capital account.

China made new progress in its capital account plan last year with the launch of the Hong Kong-Shanghai Stock Connect scheme and its expansion of investment quotas for both qualified domestic and foreign institutional investors.

"China will speed up creation of an RMB cross-border payment system and improve the RMB's global clearing service system," the premier said in his 2015 Government Work Report delivered on March 5 to the annual session of the 12th National People's Congress.

He said the country will also pilot overseas investment for individual investors and launch the Shenzhen-Hong Kong Stock Connect program on a trial basis.

Experts believe the yuan's full convertibility will improve the currency's global influence.

A January report by the global transaction services organization SWIFT showed that the yuan broke into the top five as a world payment currency in November, overtaking the Canadian dollar and the Australian dollar.

Central bank data showed that the yuan has become China's second most used currency for cross-border payment. The currency is also rising in popularity as an international transaction and reserve currency, thanks to the country's active promotion of yuan-clearing arrangements and currency swap deals with other countries.

Mei Xingbao, a member of the National Committee of Chinese People's Political Consultative Conference, said that the yuan's full convertibility will be the last step in opening China's financial system. It requires sufficient supervision of the capital

market.

The official also warned of possible challenges such as money-laundering and exchange rate fluctuations stemming from speculative capital flows in and out of the country.

J.P. Morgan China Chief Economist Zhu Haibin said China will continue to press ahead with the yuan's full convertibility under the capital account, but the process will most likely be conducted step by step.

"A key issue to be heeded is unsolved financial risk in China as it promotes the yuan's full convertibility. If the capital account were liberalized suddenly when financial reforms in China remain incomplete, it might cause new systemic risks," Zhu said. (Xinhua) ■



Yuan's full convertibility to advance

China will realize the yuan's full convertibility under the capital account and expand its global reach, Premier Li Keqiang has said.

The latest official statement has signaled a clearer road map for completing the process that authorities have cautiously promoted for more than a decade.

Currently, around 85 percent of the 40 subcategories in the capital account have become partially or fully convertible, according to data from the State Administration of Foreign Exchange, while the current account achieved full convertibility in 1996.

"Authorities are determined to promote the yuan's full convertibility under the capital account," said Shen Jian-

'Internet Plus' to fuel innovation, development

The notion of "Internet Plus" mentioned by Premier Li Keqiang on March 5 has drawn wide attention, as many see it as a sign of the government's increasing emphasis on the Internet industry.

China will develop the "Internet Plus" action plan to integrate mobile Internet, cloud computing, big data and the Internet of Things with modern manufacturing, to encourage the healthy development of e-commerce, industrial networks, and Internet banking, and to help Internet companies increase their international presence.

"From the report, we can see that the promotion of transboundary integration of the Internet has become a focus of government work," said Fang Xingdong, chairman of think tank China Labs.

Internet Plus is the integration of the Internet and traditional industries through online platforms and IT technology, it is expected to help economic restructuring, improve people's livelihoods and transform of government functions, according to Wu Hequan, academic of Chinese Academy of Engineering.

Xu Linshen, vice general manager of the Beijing-based Qing-Feng Steamed Dumpling Shop, said: "Efficiency has improved since we brought in an e-commerce system that monitors sales. For example, if sales slip for one particular item we are notified and can investigate the reasons behind it."

The Internet is also a driving force for the transformation of traditional manufacturing. Zheng Jie, a deputy to the National People's Congress (NPC) and general manager of Zhejiang branch of China Mobile, suggested that more "Made in China" products should use intelligent network and mobile Internet technology.

Internet financing is a rising industry and has promoted restructuring of traditional financing institutions. Major banks, including China Merchants Bank, China Minsheng Bank, and China Development Bank, have launched online petty loan applications in recent years.

Wu Hequan said Internet Plus not only had economic benefits, but will also improve public services.

"For example, taxi-hailing apps can help save energy and cut emissions. Online appointment with doctors, telemedicine, and video lectures are also more convenient for busy people," he said.

Pony Ma, NPC deputy and Tencent chairman, proposed that mobile Internet can be used to solve social problems, such as medical treatment, education resources and smog.

According to China Internet Network Information Center, China had 649 million Internet users by the end of 2014, and some 557 million used cell phones to get online.

Li Jiang, a consultant of Beijing Municipal Commission of Economy and Information Technology, said, besides market, the government should also take up the responsibility to promote the Internet penetration and application, especially in terms of information security, data sharing among different social sectors, and the setting of IT standards.

In the opinion of Fang Xingdong, the Internet is not only reshaping the economy, society and governance, but is also creating new opportunities to connect China and the rest of the world.

China has been transforming from a follower into a major player in the world's Internet industry during the past two decades, he observed.

"The next decade will be a time for the Chinese Internet to broaden its reach globally," he said, "with the help of Internet, China will pursue its development opportunities with a global vision." (Xinhua) ■



CFP



The Third Session of the 12th National People's Congress holds a press conference at the press center of the "two sessions" on 8 March. Foreign Minister Wang Yi is invited to answer questions from Chinese and foreign media about China's foreign policy and external relations. *Yin Gang*

China eyes bigger global role with Chinese solutions

China on March 8 pledged to play a bigger role in international affairs while stressing its commitment to peace and justice by advancing win-win cooperation and common development.

Foreign Minister Wang Yi highlighted old Chinese wisdom and modern approaches in the country's diplomacy at a press conference on the sidelines of the national legislature annual session.

The top Chinese diplomat took an array of questions on subjects ranging from China's relations with the United States and Russia, to a military parade it will stage to mark the victory in World War II and the situation on the Korean Peninsula and warring northern Myanmar.

Partnership, not alliance

The minister said China's diplomacy in 2015, with two main themes of peace and development, will focus on making progress in the "Belt and Road" infrastructure initiatives.

China has said on many occasions that the initiatives, proposed by President Xi Jinping to upgrade cooperation between countries in Asia, Europe and Africa, are not exclusive

and not a tool of geopolitics like the Marshall Plan.

Wang turned to a musical metaphor, "The initiatives are not a solo for China, but a symphony performed by all the countries involved."

The hallmark of Chinese diplomacy with major countries is win-win cooperation, he said.

It includes upholding an independent foreign policy of peace and equality among all countries, he said, adding that these ideas originate from Chinese traditions and reflect the socialist principle.

He said China is blazing a new diplomatic path of "making partners rather than allies."

China has established formal economic partnerships with more than 70 countries and many regional organizations.

While advocating that the current international order needs to be updated, Wang said his country has "no intention of overturning it or starting all over again," 70 years after the end of WWII and the founding of the United Nations.

"It is very important to safeguard the legitimate rights and interests of developing countries which are in the majority of the world," he said.

The minister promised to work with other countries to increase cooperation in combating cross-border corruption, an extension of the anti-graft declaration adopted during the Asia-Pacific Economic Cooperation meetings last year in Beijing.

Microscope, telescope

On relations between China and the United States, Wang said the world's two biggest economies should not "magnify problems through a microscope," but instead "use a telescope to look ahead to the future."

He said that President Xi's scheduled visit to the United States in September will inject "new momentum" into one of the world's most important partnerships.

The minister also noted that Beijing and Washington, as they exert "pioneering efforts" to build a new model of major-country relations, will encounter obstacles along the path, calling for more trust between them.

With Russia under Western sanctions over the Ukraine crisis, Wang said that China's relations with Russia will not be affected by "international vicissitudes" and are not aimed at any third party.

The two countries, with a comprehensive strategic partnership of coordination, will prioritize cooperation in areas including railways, finance and oil and gas.

Meanwhile, Wang said China will cooperate more with Africa on industrialization, sanitation and security and peace. It will also liaise with India to facilitate settlement of the boundary issue.

This year marks the 70th anniversary of China's victory in the Chinese people's War of Resistance against Japanese Aggression. Uncertainties overshadow ties between China and Japan, with territorial and historical disputes being far from resolved.

Wang, a former Chinese envoy to Japan, urged Japanese politicians to use their sense of conscience in judging history 70 years after Japan lost the war.

China is planning commemorative events, including a military parade, to mark the 70th anniversary and will invite

China has been seeking to address global hotspot issues by “putting forward Chinese solutions.”

foreign leaders to China for the commemorations.

China welcomes the participation of “anyone who is sincere about coming,” Wang said.

“By staging those commemorations, China will expand its convergence with other peace-loving countries and peoples,” said Prof. Gong Fangbin at the National Defense University of the People’s Liberation Army.

Medicine, solutions

With its growing presence worldwide and increasingly interwoven interests in some regions, China has been seeking to address global hotspot issues by “putting forward Chinese solutions.”

“The most striking feature of China’s diplomacy last year was its activeness,” said Zhang Yunling, an international studies specialist who is also a member of the National Com-

mittee of Chinese People’s Political Consultative Conference. “It matches China’s role as a major player in the world.”

Over the past year, China, which has been following the principle of non interference with internal affairs of other countries, mediated on a host of regional issues, including in Afghanistan, Iran and South Sudan.

“When approaching a hotspot issue, we first need to take the pulse, adopt an objective and impartial attitude, and understand where the issue has come from and establish conceptions based on facts,” said Minister Wang, taking a metaphor from traditional Chinese medicine.

He pledged to follow a multi-pronged approach that seeks a political settlement addressing the concerns of all involved, rather than resorting to the use of force or sanctions.

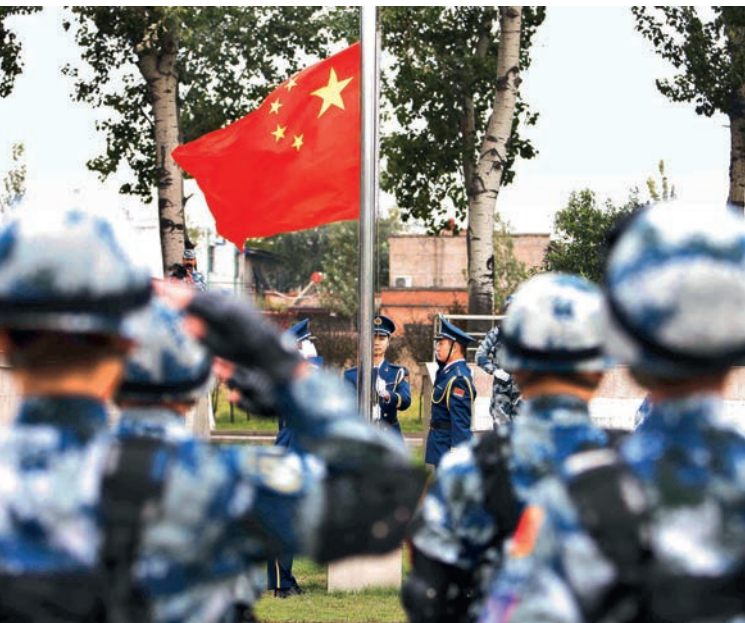
The minister also urged stability in the conflict-hit northern Myanmar and called for calmness and restraint as the situation on the Korean Peninsula entered another delicate period.

Wang said that China would properly handle regional conflicts and advocate dialogue between cultures, religions and ethnic groups to counter terrorism, which was called by him as a “common scourge to mankind.”

The minister defended China’s construction on South China Sea islands and reefs, saying the move is lawful and justified. (Xinhua) ■



The press conference of Foreign Minister Wang Yi on China’s foreign policy and external relations on March 8 CFP



Chinese soldiers salute to the national flag of China. Approved by the Central Military Commission, airborne infantries from China and Indonesia jointly participated an anti-terrorism rehearsal in China on October 27, 2014. Zhang Donghe

Defense budget 2015 lowest growth in 5 years

China on March 5 announced a 10.1-percent rise in its national defense budget in 2015, the lowest growth in five years.

According to a budget report released shortly before the National People's Congress starts its annual session, the government plans to raise defense budget to 886.9 billion yuan (about \$ 144.2 billion).

That would make China the second largest military spender in the world following the U.S., whose defense budget amounted to \$ 600.4 billion in 2013.

Nonetheless, the 10.1-percent rise represented the lowest expansion in China since 2010, when the defense budget was set to grow by 7.5 percent.

The figure has thereon been riding on a multi-year run of double-digit increases, expanding 12.2 percent last year.

The budget report did not explain the rationale behind this year's abated growth, but a government work report presented by Premier Li Keqiang may offer some clues.

According to Li, China's national defense development would be coordinated with the country's economic growth.

The Chinese economy grew 7.4 percent in 2014, registering the weakest annual expansion in more than two decades.

The government set this year's growth target to approximately 7 percent, brewing new concerns that the world's economic powerhouse is losing steam.

But Li played down such concerns, stressing that China is now in a "new normal" state, where a balance ought to be stricken between growth and structural optimization.

He said China will comprehensively strengthen modern logistics, step up national defense research and development of new- and high-technology weapons and equipment, and develop defense-related science and technology industries.

"Building a solid national defense and strong armed forces is fundamental to safeguarding China's sovereignty, security, and developmental interests," the premier said.

"Governments at all levels must always take an active interest in and support the strengthening of our national defense and armed forces," he said.

His words were mirrored by Fu Ying, spokesperson for the NPC session.

Speaking to reporters at a press conference on March 4, Fu said as a big country, China needs an army that can safeguard its national security and people.

"Lagging behind leaves one vulnerable to attacks. That is a lesson we have learned from history," said the diplomat-turned spokeswoman.

More than 35 million Chinese soldiers and civilians were killed or wounded as a result of Japanese aggression during the World War II.

Some experts believe the expenditure is still far from the level it needs to be in the face of increasingly severe security challenges.

Describing the 2015 defense budget increase as "moderate and reasonable," Chen Zhou, a researcher with the Academy of Military Sciences, said the rise was in line with China's national defense needs and its commitment to peaceful development.

"The army is in the key phase of informationization and mechanization as well as deepening reforms. A moderate, sustained increase in the military budget is thus necessary," he said.

Although the rise in the defense budget in the past years has surpassed GDP growth, China's military expenditure in 2014 accounted for less than 1.5 percent of GDP, well below the world's average of 2.6 percent.

Per capita military spending is even less, representing only about 4.5 percent of the United States, 11 percent of Britain and 20 percent of Japan.

Expenditures also soared as China's military forces are starting to bear more responsibilities around the world.

The country's military has joined international peacekeeping missions, fought piracy in dangerous waters, offered medical expertise in countries affected by Ebola and swept for mines in countries that are still recovering from past wars, all of which need more financial and material support, Chen said.

Chen said this year's military spending will be used for military training, updating weapons and equipment and improving soldiers' living conditions.

"We will make sure that every cent of the money is spent to boost the army's combativeness," said Chen. "This will be the 'new normal' in China's army development." (Xinhua) ■



Armed police board a train during an anti-terrorism drill in Chongqing on February 11. Zhang Chunhua

China vows harsher punishment for corruption, terrorism

Chinese authorities would intensify campaigns against social ills ranging from corruption and terrorism to environmental pollution and wrongful convictions, according to work reports of two judicial bodies delivered on March 12 at the National People's Congress annual session.

Targeting high-ranking "tigers" in China's anti-corruption drive, prosecutors investigated 28 officials at the provincial or ministerial level and higher for corruption last year, a sharp rise from eight in 2013, said Cao Jianming, procurator-general of the Supreme People's Procuratorate (SPP), in his report at the annual session of the National People's Congress.

The 28 officials included Zhou Yongkang, a former member of the Standing Committee of the Political Bureau of the Communist Party of China Central Committee, and Xu Caihou, former vice chairman of the Central Military Commission.

From 2008 to 2012, a total of 30 officials at the provincial or ministerial rank and higher faced investigation for corruption or other job-related crimes, according to Cao's report delivered in 2013.

In campaigns to combat lower level "flies," prosecutors probed 3,664 cases of graft, bribery and embezzlement of public funds involving more than 1 million yuan (\$ 164,000) last year. A total of 4,040 public servants at county level and above, including 589 at and above city or bureau level, were investigated.

A total of 55,101 people were investigated for duty-related crimes in 41,487 cases, an annual increase of 7.4 percent in the number of people, according to the report.

The work report of the Supreme People's Court (SPC), delivered by chief justice Zhou Qiang, showed that Chinese courts in 2014 convicted and punished 44,000 criminals in 31,000 cases of embezzlement and bribery, including severe cases such as Liu Tienan, former deputy head of the National Development and Reform Commission, and Li Daqiu, a former senior political advisor in Guangxi Zhuang Autonomous Region.

"Corrupt criminals shall be severely punished according to the law no matter how high their positions are and how powerful they are," Zhou Qiang said.

The SPP had the resolution to fight every corruption and punish every corrupt official, focusing on duty-related crimes committed by leading officials in key positions, Cao said.

Judicial authorities would strengthen fight against and prevention of duty-related crimes and commercial bribery in fields including food and drug administration, environmental protection, work safety, land sales, exploitation of mining resources and reforms of State-owned enterprises, according to the reports.

In line with lawmakers' proposal of imposing harsher pun-

ishment for those giving bribes to staff of State organs to pursue illegitimate interests, judicial organs handled more cases of such crimes last year.

A total of 7,827 bribers were prosecuted for criminal offenses, up 37.9 percent from the previous year, according to the SPP report, while the SPC report showed 2,394 people were convicted for offering bribes last year, up 12.1 percent from the previous year.

Authorities also pledged “zero tolerance” to judicial corruption which had raised public complaints these years.

Procuratorates investigated and punished 404 staff within their own system last year while 2,108 court officials were punished for violating disciplines and laws, according to the two reports, which vowed to “eradicate black sheep” in the judicial organs.

Counter-terrorism

The chief justice noted ever-growing threats from terrorism and separatism and vowed severe punishments for offenders.

According to Zhou, Chinese courts convicted 712 people for instigating secessionist activities or participating in violent terrorist attacks in 2014, representing a year-on-year increase of 13.3 percent.

Overall, courts in China concluded some 1.02 million first trials in criminal cases last year and convicted 1.18 million people.

“We will actively participate in the fight against terrorism and secessionism, severely punish violent terrorist crimes according to the law, and severely punish all types of crimes that gravely endanger the safety of the people,” Zhou said.

Violence and terrorism have been on the rise in China over recent years. Three people were killed and 39 others injured when a sports utility vehicle plowed into crowds near the Tian’anmen Square in the heart of Beijing on October 28, 2013.

On March 1, 2014, knife-wielding assailants killed 31 people and injured 141 others at a train station in Yunnan’s

provincial capital Kunming.

“We will resolutely safeguard national security, ethnic unity and social stability,” Zhou said, adding that the courts have meted out harsh punishments to the suspects of the Tian’anmen and Kunming attacks according to the law.

No ‘safe haven’ abroad

The country is also working with international counterparts to block “the last route of retreat” for corrupt officials.

Procurator-General Cao said Chinese prosecutors seized 749 fleeing corrupt suspects from both home and abroad last year.

Among them, 49 suspects were captured or were persuaded to turn themselves in from 17 countries and regions including the United States and Canada, Cao said.

“We will actively advance efforts to have fugitive suspects repatriated and recover their illegal proceeds of corruption,” the top prosecutor said. “The corrupt shall never be allowed to get away with the law.”

This has followed the success of a Fox Hunt 2014 operation launched in July to bring back crooked officials still at large.

According to Cao, the SPP would explore ways to confiscate illegal gains of corrupt officials so that they could “never profit economically from their illegitimate deeds.”

Reflecting on wrongful convictions

The chief justice expressed self-reproach for wrongful convictions and urged fellow judges to draw lessons from them.

In 2014, courts nationwide reheard 1,317 cases and corrected a number of wrongful ones, including a high-profile rape-murder case in 1996, in which an 18-year-old man named Huugilt was wrongfully convicted, Zhou said.

Cao Jianming also stressed in his report that preventing wrongful convictions was a bottom line that prosecutors must always hold.

Prosecutors should work to stop a case “tainted” by unclear facts, lack of evidence or unlawful procedure, from going to the court, Cao said.

They were asked to pay special attention to murder cases and others that are mainly established on confession and witness statement.

Tougher on polluters

China’s judicial departments played more harshly against polluters in 2014.

The number of pollution-related criminal cases increased by 8.5 times in 2014, according to the work report of the SPC.

Civil cases about damage of pollution increased by 51 percent year on year.

About 25,800 people were charged with crimes such as damaging the environment, illegal logging and illegal farming on grassland in 2014, up 23 percent over the previous year.

Cao said the SPP would engage prosecutors more in environment litigation for public interest this year.

Experts believe the participation of prosecutors in environment litigation for public interest was not only a deterrence to polluters but also a judicial supervision on abuse of power or malfeasance. (Xinhua) ■



Wearing face masks and holding slogans, students from Bozhou Fenghua Primary School in Anhui Province call the passers-by to protect environment on March 6. Liu Qinli

Self-reproach is the right attitude to advance judicial reform

Admitting mistakes is much better than hiding your head in the sand when it comes to reform and development.

Thus, when a top judge and top prosecutor voiced remorse for judiciary oversight, they were lauded for displaying the attitude necessary to truly reform the judiciary.

In his report made to the annual session of the National People's Congress (NPC) on March 12, Chief Justice Zhou Qiang expressed self-reproach for wrongful convictions during his tenure.

Procurator-General Cao Jianming also called for self-reflection on wrongful convictions in his report.

Mistakes made by the judiciary have serious implications. For those involved, it costs them their reputation, freedom and even life, while it causes society to question the judicial system and the rule of law.

The comprehensive implementation of rule of law is impossible without a credible judicial system and strict discipline.

Following the correction of wrongful convictions, more effort should be made to avoid history repeating itself.

Questions must be answered: Why have judicial organs failed to ensure justice? Was it because of intervention or incompetence?



“The Sword of Damocles”: Reports submitted by the Supreme People's Court and the Supreme People's Procuratorate during the “two sessions” this year note that lessons should be drawn from wrongful convictions and perversions of justice in the past. Participants of the “two sessions” pointed out that rough justice leads to wrongful convictions. Xu Jun

Back in October 2014, following the release of a blueprint for rule of law set by the Fourth Plenary Session of the 18th Communist Party of China (CPC) Central Committee, President Xi Jinping warned of serious systematic problems in the judiciary and pledged to remove injustice.

Problems identified included the manipulation of cases in exchange for personal gain and intervention by outside parties.

The system can only be fixed by tracing the problems back to their roots. Therefore, a well-designed system is needed to ensure the authority of law and independence.

Judicial transparency is one solution. In addition to official supervision, the judicial system must be open to public scrutiny.

Both of the work reports of the SPC and SPP designated nearly half of their length to the explanation

of legal terms and the profiling of important cases to ensure lawmakers had a better understanding of the content of the reports.

Judicial reform is an ongoing process, that will take time, however, the remorse shown by the top judge and prosecutor is a significant step in the right direction. (Xinhua) ■

Achievements made in building transparent judicial system

A white paper released on March 10 detailed how Chinese courts have been bettering judicial transparency since late 2013. A big step forward has been made in building a transparent judicial system.

The Fourth Plenary Session of the 18th Communist Party of China (CPC) Central Committee set a new blueprint for the rule of law in the country, leading to increased efforts to open judicial transparency.

More than 6 million judgements, verdicts and reconciliation statements have been put online since January 1, 2014, He Xiaorong, office director of the Supreme People's Court (SPC) judicial reform leadership group told a press conference on the white paper.

He said a website with such a large quantity of published judgements is worldwide rarity.

Litigant demands, collected evidence and how judges arrived at their conclusions are now available for public scrutiny. The judges will be more cautious when exercising discretion and less space will be left for interventions.

Along with the disclosure of results, the judicial process itself is now more open to the public.

Live updates on social media by Jinan Intermediate People's Court during the trial of Bo Xilai, former secretary of the CPC Chongqing Municipal Committee and a former member of the CPC Central Committee Political Bureau in August 2013, were hailed by experts

and the public as a substantial move to enhance judicial transparency.

The official website for Chinese courts started live broadcasting court trials in December 2013. By the end of 2014, 519 court trials had been live broadcast with another 80,000 trials broadcast live by people's courts at various levels.

Not only are the legal rights of people involved in lawsuits better protected with supervision from society, but it also increases the credibility of the judicial system.

Meanwhile, by directly following court trials, the public has gained faith in the judicial system, understood it better and will be more likely to use it to solve problems. (Xinhua)

Legislation Law revised to pave way for legal reform

August, 2014

After first deliberation by the Standing Committee of the National People's Congress, the draft amendment to the Legislation Law was publicized to solicit public opinions.

December, 2014

After second deliberation by the Standing Committee of the National People's Congress, the draft amendment to the Legislation Law was publicized to solicit public opinions.

January, 2015

Deputies to the National People's Congress make suggestions on the draft amendment to the Legislation Law before the NPC Law Committee conduct further revision.

March, 2015

About 3,000 NPC deputies examine and adopt the draft amendment to the Legislation Law during the 3rd Session of the 12th NPC.

Relations with the ordinary people



No more random purchase quota policies (on housing, vehicles, etc)



Taxation to be regulated



Rampant red-head documents to be restrained

立法法修改

CFP

China's national legislators adopted a revision to the Legislation Law on March 15, 2015, as the country is unfurling an ambitious legal reform.

About 3,000 deputies to the National People's Congress (NPC) overwhelmingly voted for the bill at the closing meeting of the NPC's annual session, with 2,761 in favor, 81 against and 33 abstentions.

The draft revision was tabled for the third reading at the NPC annual session after two readings last year, a rare arrangement that underlined its significance. Most bills are read and put for a vote by the NPC Standing Committee.

The Legislation Law, enacted in 2000 and considered a foundation of China's legal system, regulates how national laws, government regulations and local laws come into shape and which organizations hold the legislative power in the country.

Guo Linmao, a member of the Legislative Affairs Commission of the NPC Standing Committee, said that the resolve of the country's leadership to advance the rule of law has led to a strong demand and heavy pressure on the legislature and its work.

"The country will need good laws and pragmatic laws, if it wants to advance the rule of law," Guo said.

Meanwhile, as new reforms are taking place in various aspects, the legislature is in urgent need of updating legislation according to the actual conditions and making sure that all reforms are legitimate.

"We have to acknowledge that the current legislative procedure has loopholes and weaknesses. For instance, we are unable to completely fend off bias and interference," he said. "We expect the revision to help solve these issues."

Delegating legislative power

The law expands legislative power from 49 cities in China to 288 nationwide, empowering people's congresses at corresponding level to make local laws.

Zheng Xuejun, an NPC deputy from east China's Zhejiang Province and a newspaper editor in Wenzhou city, is very excited that her city finally has been authorized with legislative power.

Known for its vigorous private businesses and strong entrepreneurship tradition, Wenzhou is often on the frontline of trying bold economic reform policies.

"With the legislative power, our city can turn some of its pilot policies into more permanent arrangements and address new problems that other cities may not have," she said.

Liang Ying, with the Legislative Affairs Commission of the NPC Standing Committee, said that the provision indicates a changing perspective toward the national and local governance.

"It is not a simple change of a statute. It shows that the central authority is delegating its power in exchange of local wisdom and vitality, in face of major economic restructuring and social reform," he said.

For a country ruled for more than 2,000 years by a powerful central authority, where even a low-level county head had once been directly appointed by the emperor at the faraway capital, the change is significant.

To prevent abuse of this power, the revised law only allows the cities to issue local laws about "rural and urban develop-



NPC deputies are ready to vote on the draft amendment to the Legislation Law on March 15, when the Third Session of the 12th NPC concluded at the Great Hall of the People in Beijing. Pang Xinglei



Kan Ke (C), Zheng Shuna (3rd R), Yuan Jie (3rd L), Wang Aili (2nd R), Wu Zeng (2nd L), officials of the Legislative Affairs Commission of the National People's Congress (NPC) Standing Committee give a press conference about the draft revision to the Legislation Law in Beijing on March 9. Li Xin

ment and management, environmental protection, and preservation of historical heritage and cultural values."

It also regulates that the power should be granted step by step and the provincial legislature will decide which city is suitable.

Full statutory taxation

Another provision to affect every citizen's life is statutory taxation.



The revised law underlines the principle of statutory taxation by singling it out in a provision, and makes it clear that a tax can only be levied and tax rate be set with the endorsement of the law.

The draft submitted for the reading had not regulated tax rate but it was written in the final version because of a strong push from NPC deputies.

Of China's 18 existing taxes, only three – individual income tax, corporate income tax, and vehicle and vessel tax – are levied through legislation, while the others are imposed through formal or provisional regulations issued by the State Council.

Such an arrangement was made because the NPC Standing Committee had authorized the State Council to levy taxes about business activities in 1985, several years after the country embarked on its sweeping reform and opening-up drive.

As things changed, both the legislature and public have realized the pressing need to install the complete statutory taxation.

The deadline has been set for the year 2020, according to Fu Ying, spokeswoman for the Third Session of the 12th NPC, at a press conference on March 4.

Check on administrative power

Progress has been made in the revised law to rein in administrative power.

One provision bans ministries and local governments from issuing rules and policies that mitigate citizens' rights or increase their obligations without legal foundation.

A few provisions are about enhancing the top legislature's power of examining whether all government regulatory documents are in line with the Constitution and law.

It clarifies that the NPC departments may review government regulations and local laws without being requested. If a citizen or organization requests the review, the top legislature

may present the feedback and publish the result.

NPC deputies insisted that the principle of a transparent legislative procedure should be written in the law and the time span, when a draft law is published to solicit opinion, should be extended from 20 days to 30.

'Five lines of defense'

However, the revised law stirred a mixed feeling of excitement and worry among other lawmakers.

South China's Guangdong Province, also a test ground for reform attempts, is likely to see 17 more city legislatures empowered to make local laws.

"It can be a very good thing. It can be messy," said Wu Qing, an NPC deputy and veteran lawyer, at a panel discussion about the bill at the national legislative session.

Citing Dongguan City in the province known for its booming export industry, Wu said local legislative power might help the city to take a full advantage of a ministry-supervised pilot project on soil pollution treatment.

"If the city legislature can turn successful policies in the pilot project to a local law, the policies will become more permanent arrangements and benefit the city that has suffered serious soil pollution. Otherwise, it might take a very long time for a local pilot project to be incorporated into a national law," she said.

However, she also worried that not all cities are prepared for the new power.

"If the provincial legislature is to review city laws, provincial lawmakers would be pretty busy and should start preparing themselves," she said.

Zhang Guifang, a deputy and senior lawmaker from Guangzhou city legislature, also noted that city laws may cover a wide range of topics and it is hard to draw a line between what is within their power and what is not.

Responding to the concerns, Zheng Shuna, vice-chairperson of the Legislative Affairs Commission of the NPC Standing Committee says there are "five lines of defense" against possible abuse.

The revised law only allows the cities to issue local laws about "rural and urban development and management, environmental protection, and preservation of historical heritage and cultural values."

It also regulates that the power should be granted step by step and the provincial legislature will decide which city is suitable.

City laws, which should not contradict with national, provincial laws and central government regulations, must be approved by the provincial legislature.

As the last resort, the NPC Standing Committee will examine their legitimacy and correct improper ones.

"Without a properly-written Legislation Law, there is thin chance to make good laws. Without good laws, where should we start to realize the rule of law?" said Prof. Ying Songnian with China University of Political Science and Law. (Xinhua) ■



Good law indispensable to 'Four Comprehensives'

Good legislation is a pillar for good governance in any country. For today's China, it is particularly pivotal.

Whether the country is able to make good laws and make sure their implementation will greatly affect the drive to realize the strategic layout of "Four Comprehensives" put forward by the country's central leadership.

Listed as one of the four priorities, the drive to advance the rule of law has accelerated since the Communist Party of China (CPC) Central Committee adopted a comprehensive legal reform plan in last October.

Only if the country has a properly designed legislative process that incorporate interests of all citizens and minimize in-

fluence from vested interest, can it make a solid step towards the rule of law.

Also, without the legislature effectively checking on legitimacy of government regulations and policies, which is a key content in the Legislation Law, the country will miss an effective tool to keep the administrative power in line with the law.

But the significance of the legislation goes beyond the legal system.

The role that the legislation plays in the country's political life has notably changed. Decades ago, a reform would start without the law's endorsement since the country's legal system was hardly in place. A new law would be drafted or an

existing one be revised based on successful results of government policies.

Now, as the country has more than 240 laws, about 700 government regulations and around 8,600 local laws, any administrative action needs to be endorsed by the law, even the latest and most urgent reform policies, as the overall reform blueprint adopted in November 2013 stressed.

Legislators are under a new pressure that their work should be a step ahead, showing the direction and guiding the practice. Such a change requires them to streamline the legislative process.

Most of reform areas now are about taking down old barriers, breaking up vested interests and rearranging stakes. Sometimes, a policy is not powerful enough and legislation is needed.

In fact the lawmaking process is a natural and more ef-

ficient platform for different interest groups to be negotiated and consensus to be built. Many believe this round of reform will not achieve essential progress if it steers clear of legislation.

Good legislation is also a strong support to the strict discipline of the ruling Communist Party of China (CPC), another priority in the “Four Comprehensives” strategy.

The CPC is seeking to “lock up the power in the cage of system”, which includes the legal system. Systematic political design to deter corruption will be incomplete and weak without legislation.

As the CPC decided in its legal reform plan that it should govern the country in line with the law, naturally its key strategy will need the endorsement and support of the law to be fully and effectively implemented. The revised Legislation Law is an important piece of the grand plan. (Xinhua) ■

China's Legislative System

China is a unified multiethnic country with a unitary political system. To ensure that the legal system remains unified yet at the same time adapts to the uneven economic, political and cultural development or different areas, China practices a unified, multilevel legislative system.

The NPC and its Standing Committee exercise the State power to make laws. The NPC enacts and amends basic laws pertaining to criminal offences, civil affairs, State organs and other matters. The Standing Committee enacts and amends all laws except for basic laws that should be enacted by the NPC. When the NPC is not in session, its Standing Committee may partially supplement and revise laws enacted by the NPC, provided that the changes do not contravene the laws' basic principles.

The State Council formulates administrative regulations in accordance with the Constitution and other laws and reports them to the NPC for records.

In line with the specific conditions and actual needs of their administrative regions and on condition that they do not violate the Constitution or other State laws and administrative regulations, the people's congresses

of provinces, autonomous regions and municipalities directly under the Central Government, as well as their standing committees, may work out local statutes and report them to the NPC Standing Committee and the State Council for record. In light of their specific conditions and actual needs and on condition that they do not conflict with the Constitution, other laws and administrative regulations or local statutes passed by their provinces or autonomous regions, the people's congresses and their standing committees of larger cities may enact local statutes and submit them to the standing committees of the people's congresses of their provinces or autonomous regions for approval before they take effect. In addition, these standing committees shall record the local statutes with the NPC Standing Committee and the State Council.

The people's congresses of national autonomous areas have the power to formulate regulations concerning autonomy and local needs in light of their own local political, economic and cultural conditions. These regulations of autonomous regions take effect after they are approved by the NPC Standing Committee. Such regulations made by autonomous prefectures

or counties take effect after they are approved by the standing committees of the people's congresses of the provinces, autonomous regions, and municipalities directly under the Central Government; in addition, these standing committees shall record the regulations with the NPC Standing Committee and the State Council.

In China's multilevel legislative system, laws promulgated at different levels do not have the same effect. The Constitution has the highest legal validity, and no other laws, administrative regulations, local statutes, regulations concerning autonomy and local needs, or other regulations may violate the Constitution. State laws have greater force than administrative regulations, local statutes and regulations. State administrative regulations have greater force than local statutes and regulations.

The NPC has the power to alter or annul any inappropriate laws enacted by its Standing Committee. The NPC Standing Committee has the power to annul administrative regulations that go against the Constitution or laws concerned and revoke local statutes that contravene the Constitution, other laws or administrative regulations. (NPC)



President Xi Jinping (front R), also general secretary of the Communist Party of China (CPC) Central Committee and chairman of the Central Military Commission, greets female deputies for the International Women's Day at a panel discussion with deputies to the 12th National People's Congress (NPC) from south China's Guangxi Zhuang Autonomous Region during the Third Session of the 12th NPC, in Beijing, March 8. *Lan Hongguang*

Why do Chinese leaders join discussions with legislators, political advisors

Senior Chinese leaders have participated in dozens of panel discussions with the country's legislators and political advisors in the period of the "two sessions" in 2015, demonstrating "democracy with Chinese characteristics" at the country's most important annual political event.

Seven members of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, including General Secretary Xi Jinping, have joined more than 30 delegations and sectors in discussions since the start of the "two sessions".

Panel discussions during the sessions offer an opportunity for senior leaders to listen to opinions of legislators and political advisors and express their own thoughts in a face-to-face manner.

While speaking with lawmakers from eastern Jiangxi Province on March 6, President Xi asked the people to protect the environment as if they were "caring for one's own

Panel discussions offer an opportunity for senior leaders to listen to opinions of legislators and political advisors.

eyes and life".

"We are going to punish, with an iron hand, any violators who destroy ecology or environment, with no exceptions," he said.

When joining other panel discussions, Xi touched on issues such as cross-Straits ties, free trade zone strategy, poverty alleviation and revival of an old industrial base.

The leaders' participation in the discussions, as legislators themselves, are a characteristic of the Chinese-style democracy, scholars said.

That arrangement is viable in China because the country



Premier Li Keqiang (back, C), also a member of the Standing Committee of the Political Bureau of the Communist Party of China Central Committee, joins a discussion with deputies to the 12th National People's Congress (NPC) from southwest China's Sichuan Province during the Third Session of the 12th NPC, in Beijing, March 8. *Gao Jie*

Annual economic goals and other major issues of national interests are discussed during plenary sessions of NPC and CPPCC.

implements the people's congress system and a system of multi-party cooperation and political consultation under the CPC leadership, quite different from the Western-style system of multiple parties holding office in rotation or separation of powers, said Li Yuanqi, a scholar in law at Renmin University of China.

Annual economic goals and other major issues of national interests are discussed during plenary sessions of the National People's Congress (NPC), and the National Committee of the Chinese People's Political Consultative Conference (CPPCC), China's top political advisory body. The sessions of this year kicked off in the first week of March.

NPC deputies must keep in close touch with their voters, electoral units and the masses in order to voice their opinions and demands, according to Chinese laws.

Many leaders were elected as NPC deputies in regions where they once served in office. For example, Xi, who once was secretary of the CPC Shanghai Municipal Committee, is now a deputy in the Shanghai delegation.

Party and State leaders discussing significant issues of national and public interests with NPC deputies and CPPCC National Committee members show the seriousness of procedures in the country's political decision-making process, making it a good example of democracy with Chinese characteristics, said Yang Yongchun, deputy chief of the China Against Corruption Law Association, an academic group in law.

The leaders' discussions with legislators and political ad-

辽宁省代表团全体会议



Zhang Dejiang (back, C), chairman of the Standing Committee of China's National People's Congress (NPC) and a member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, joins a panel discussion with deputies from northeast China's Liaoning Province during the Third Session of the 12th NPC, in Beijing, March 8. *Ju Peng*

visors during the sessions are part of China's socialist consultative democracy, a democratic pattern in which, led by the CPC, all sections of society are consulted on major issues before and during policy-making processes.

Consultative democracy needs to be strengthened and used to expand people's participation in politics, help modernize State governance and resolve conflicts, according to a document published by the CPC Central Committee in February 2015.

As a highlight of the leaders' participation in panel discussions, lawmakers and political advisors can raise suggestions on behalf of the grassroots in a candid way, thus expanding the communication channel for different demands to reach the leadership, said Zhan Zhongle, a professor in law at Peking University.

Moreover, such an arrangement makes "people see that the Party leaders value their contact with the masses and make efforts to practice socialist democracy", helping foster solidarity and promote consultations in the country's political life, Yang said.

He observed increasingly extensive political participation at the "two sessions", which he said enhances social trust and improves the efficiency of democracy to keep the country on track to realize its development goals.

Gaesang Zhoigar, a political advisor from the remote Motuo County in southeastern Tibet and a Lhoba ethnic, still remembers how President Xi joined a panel discussion with her and other political advisors of the ethnic minority sector during last year's "two sessions".

Gaesang Zhoigar had never met senior Party leaders before and was cheered up by Xi's remarks that all sorts of methods should be tried to accelerate economic and social development of the ethnic regions.

"After the 'two sessions', I passed the message to my people back home: we must achieve faster development, as even the general secretary said so!" she said. (Xinhua) ■

Find a balance on people's representation

In the same room that Pony Ma, chief executive of Tencent Holdings, proposes wider application of mobile Internet technology, Xue Haiying, a sanitation worker from Tianjin Municipality, is pushing for better housing and medicare for her colleagues.

Ma and Xue joined more than 2,900 other deputies at the National People's Congress annual session at the Great Hall of the People to deliberate on the Government Work Report. They are expected to vote on its adoption.

If, as the New York Times lamented in a recent report, billionaires like Ma “ensure the rich are represented in China's legislature”, deputies like Xue, who earns around \$200 a month cleaning the streets, ensure laborers “access to the highest echelons of the Party and the government”.

China's legislature is not without room to improve its composition, but it has been making big strides in recent years. Farmers and factory workers made up 13.42 percent of deputies to the 12th NPC, a 5.18-percent rise from the 11th NPC.

In 2010, China amended its Electoral Law to ensure both rural and urban areas adopt the same ratio of deputies, ending a practice where each rural deputy represented a population four times that of an urban deputy.

Just as eradicating the urban-rural gap in NPC representation, China has committed to narrow the obvious gap between rich and poor by increasing minimum wages, promoting medical insurance and providing affordable housing – priorities that would greatly benefit people like Xue.

It is important to remember there is a process for improvement, especially for a country with 1.37 billion people.

Good entrepreneurs, who would be called job creators by some, should not be excluded from the process just because of the profits they reap.

Xue is an equally commendable representative of China's honest, industrious laborers as Ma, the founder of the world's second largest Internet company, whose business revolutionized the way Chinese people interact with one another.

Just as every other challenge posed to China in its path



The Third Session of China's 12th National People's Congress (NPC) opens at the Great Hall of the People in Beijing on March 5. *Chen Jianli*

China's legislature is not without room to improve its composition, but it has been making big strides in recent years.

forward requires a difficult balance, the same can be said about balancing representation at the National People's Congress.

Air quality improvement, a hugely popular issue for this NPC session, is a prime example. To address the smog engulfing Beijing and other major cities, heavy industries have to be shut down in places like Hebei Province, where residents would lose jobs that are unlikely be replaced by a new industry for a long time.

Therefore it's very important – and delicate – for China to reconcile everything, from environmental protection to industrial development, from Ma's mobile Internet to Xue's social security.

It is the real challenge. (Xinhua) ■

NPC's first spokeswoman shares her experience

By Wang Zhenghua



Fu Ying, spokesperson for the Third Session of China's 12th National People's Congress (NPC), gestures to journalists after the press conference on the session at the Great Hall of the People in Beijing on March 4. CFP

The first spokeswoman in the history of China's top legislative body said all questions will be answered and her job was to accurately convey the message of the congress.

Fu Ying, who has been named as the spokesperson for the annual NPC session for the third time, shared how she prepares for the NPC news conferences and her experiences working as a spokeswoman in an interview.

Fu, 62, answered a total of 15 questions at the opening press conference for the Third Session of the 12th NPC, impressing the public with her intellectual demeanor and elegance.

"We need to learn the hot topics that drew society and the media's attention before each year's NPC press conference," she was quoted as saying in a report.

"On top of that we collected the materials and got ready for all kinds of questions."

"What really takes time is to translate the statements into everyday language. You have to be clear and express the message in the most effective way," she said.

When answering a question about recent frictions between some mainland tourists and Hong Kong residents at this press conference, for example, Fu said the two sides, which she described as "brothers", should practice mutual respect and "think more of each other's good".

"We tried to cover all the sections when preparing," she said. "On principle, all the questions that people are concerned with should be answered."

She called the NPC press conference a "very serious" platform, and the aim is to deliver the correct message instead of giving credence to rumors.

Working in the foreign affairs section for decades, Fu was promoted in 2010 to vice-foreign minister, in charge of Asian, border and oceanic affairs, including China's territorial disputes with Japan.

In 2013, Fu was elected deputy to the National People's Congress, member of the NPC Standing Committee, chairperson of the NPC Foreign Affairs Committee. And she moved to a brand new stage in her life when she was named the NPC's spokeswoman.

"It's hard to take a new role at my age," she said. "All my knowledge and experience was related to foreign affairs, but my job now covers many sectors of internal affairs."

She said she read quite a number of thick books and tried to adapt to the role by taking part in the NPC discussions about lawmaking issues.

She also said the questions by the Chinese media always hit the point and the trick to replying to foreign media is to tread a very fine line. (China Daily) ■

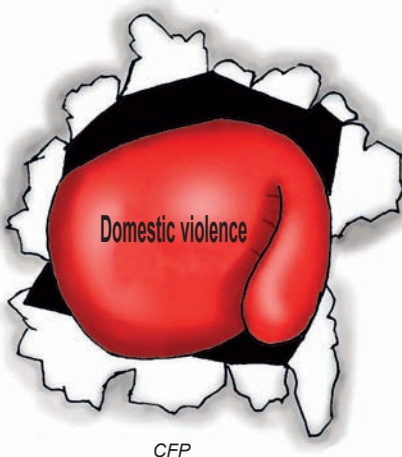
A law on domestic violence called for

Chinese female lawmakers called for more help for women to defend themselves against domestic violence on March 7.

China needs to introduce a law covering domestic violence as quickly as possible, so as to protect more women from abuse at home, said Fu Lijuan, a deputy to the National People's Congress (NPC) who is from the Hunan provincial justice department.

Fu made the remarks at a press conference on "gender equality and women's development" held on the sidelines of the annual parliamentary session, which was also attended by four female deputies from local governments, a company and a public welfare foundation.

Domestic violence has long remained in the shadows in China, where the culture holds that family conflicts are embarrassing private matters. Only in recent years have the Chi-



CFP

nese people begun to examine the issue.

Fu Ying, spokesperson of the NPC said on March 4 that China's first bill against domestic violence is likely to be put for the first reading in August.

Discrimination against women is still common in news reports and movies, She said, in response to a reporter's question on how women were portrayed in the Spring Festival gala, the annual Chinese TV institution. "We hope society will show more care for women, respect women and foster a favorable environment for women's development," she added.

The deputies called for more support for women in job-hunting and starting businesses.

NPC deputy Wei Xuanjun urged women to use the law to defend themselves when facing discrimination in employment, while Dong Mingzhu, a well-known entrepreneur, said women should not be afraid of flaunting their ability at work. (Xinhua) ■

522 motions submitted at annual parliamentary session

Chinese lawmakers have filed about 522 motions to the secretariat of the Third Session of the 12th National People's Congress (NPC), an official said on March 10.

According to Guo Zhenhua, an official with the secretariat of the session, the number is about 13 percent more than that of last session and 511 of them concerned legislation in various areas ranging from election procedure, court system, business to environmental protection.

Since NPC deputies first raised motions at the annual session in 1983, the number had increased sharply from 61 in that year to 1,374 in 2004. It has remained around 500 since 2005. (Xinhua) ■



Staff members arrange the original copies of motions in Beijing on March 10. Among the 522 motions, 511 are about legislation and 8 are related to supervision. In addition, 74.9 percent of the motions are accomplished by investigation, inspection, visit, discussion and etc. Li Xiang



Above left: NPC deputy Cai Jiming suggests the National Development and Reform Commission to add regulations on paid holidays into its report on national economic and social development plan on March 7. Above right: NPC deputy Cai Jiming receives an express mail from the National Development and Reform Commission on March 10. Middle: In the letter written to Cai Jiming, the National Development and Reform Commission notes that it has revised its work report to include suggestions on paid vacations under the proposal of Cai. Yue Yuewei



NPC deputy Kong Lingzhi (L) speaks about his proposal concerning the "Belt and Road" initiatives during the "two sessions" in 2015. Huang Jingwen



NPC deputy Li Yuhuan (R) collects signatures from other deputies when attending the meeting of Liaoning provincial delegation on March 5. It is the right and duty of NPC deputies to put forward proposals during the "two sessions". Yang Qing





Deputies to China's 12th National People's Congress (NPC) leave the Great Hall of the People after the closing meeting of the Third Session of the 12th NPC in Beijing on March 15. *Wang Jianhua*

NPC deputy Xie Hong from Shanxi Province proposes that the nation should speed up its health care reform and wean hospitals from dependence on drug sales. *Huang Jingwen*



Song Guoquan, a deputy to China's 12th National People's Congress (NPC) from Anhui Province, speaks about his proposal to strengthen ecological civilization construction. *Xie Huanchi*



Ng Chau-pei (2nd L), a deputy to China's National People's Congress (NPC) from south China's Hong Kong Special Administrative Region, who is also chairman of Hong Kong Federation of Trade Unions, speaks during a discussion of the Third Session of the 12th NPC in Beijing on March 7. *Li Xiang*





The Hunan delegation opens its plenary meeting to the press on March 5. *Chen Jianli*

Deputies to China's 12th National People's Congress (NPC) from southwest China's Tibet Autonomous Region take part in a panel discussion during the Third Session of the 12th NPC in Beijing on March 9. *CFP*



The third plenary meeting of the Third Session of the 12th National People's Congress (NPC) is held at the Great Hall of the People on March 12. *Chen Jianli*





The Liaoning delegation holds a plenary session on March 5, attracting a lot of journalists. *Yang Qing*

Deputies to China's 12th National People's Congress (NPC) from north China's Hebei Province take part in a panel discussion in Beijing on March 9. *Wang Jianhua*



Deputies to China's 12th National People's Congress (NPC) from north-west China's Xinjiang Uygur Autonomous Region take part in a panel discussion in Beijing on March 10. *CFP*



Deputies to China's 12th National People's Congress (NPC) from north-west China's Ningxia Hui Autonomous Region take part in a panel discussion on the Government Work Report in Beijing on March 6. *Li Ran*





The combination photo shows (L-R) Liu Zhenwei, Yin Zhongqing, Liu Binjie, Wang Shengming, Yuan Si, five senior members from the special committees of China's National People's Congress (NPC), giving a press conference for the Third Session of the 12th NPC in Beijing on March 10. *Fu Tian*



Xie Heping (3rd R), Shen Jian (2nd R), Luo Weiqi (3rd L), Li Jianbao (R), Zheng Qiang (2nd L), five deputies to the 12th National People's Congress (NPC), give a press conference about China's higher education during the Third Session of the 12th NPC in Beijing on March 13. *Shen Bohan*



Journalists interview a deputy to China's 12th National People's Congress (NPC) at the Great Hall of the People in Beijing on March 7. *Li Xiang*



A journalist mounts a GoPro on top of his monopod to take photos during a press conference given by Chinese Minister of Commerce Gao Hucheng for the Third Session of China's 12th National People's Congress (NPC) on commercial development and opening up in Beijing on March 7. *Xing Guangli*



Foreign diplomats attend the opening meeting of the Third Session of China's 12th National People's Congress (NPC) at the Great Hall of the People in Beijing on March 5. *Gao Jie*



Foreign journalists work at the Great Hall of the People, venue of the Third Session of China's 12th National People's Congress (NPC), in Beijing, March 5. *Shen Bohan*



Journalists attend a press conference given by officials of the Legislative Affairs Commission of the National People's Congress (NPC) Standing Committee about the draft revision to the Legislation Law on March 9. *Li Ran*

Journalists raise hands to ask questions at the press conference of Premier Li Keqiang after the closing meeting of the Third Session of China's 12th National People's Congress (NPC) at the Great Hall of the People in Beijing on March 15. *Lü Xun*





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