

# NPC



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## LOCAL LEGISLATIVE ELECTIONS BEGIN

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# 北京市西城区中南海选区人民代表大会



↑ An official (1st R) briefs information of candidates to residents in Xuhui district, Shanghai on November 16, 2016. Elections were held to select deputies to people's congresses at county and township levels. Fang Zhe

↑ Residents from Tianping street community in Xuhui district, Shanghai cast vote to select deputies to people's congresses at county and township levels on November 16, 2016. Fang Zhe



# 会堂投票站



Zhang Dejiang, member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee and chairman of the Standing Committee of the National People's Congress (NPC), casts his ballot at a voting booth to elect new deputies to the local people's congress in Beijing on November 15, 2016. *Ma Zengke*

Voters from different nationalities in Tarim Township, Kuqa County, Xinjiang Uyghur Autonomous Region participate a voting on July 12, 2016 to select deputies to the local people's congresses at county and township levels. *Yuan Huanhuan*



More than 13,000 students and teachers from North China University of Technology cast vote to select deputies to people's congresses at county and township levels in Beijing on November 15, 2016. The university belongs to the 11th constituency, Bajiao area in Shijingshan district, Beijing. *Sheng Jiapeng*



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General Editorial

Office Address: 23 Xijiaominxiang,  
Xicheng District Beijing  
100805, P.R. China

Tel: (86-10)6309-8540  
(86-10)8308-3891

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# Rule the Party with a firm hand

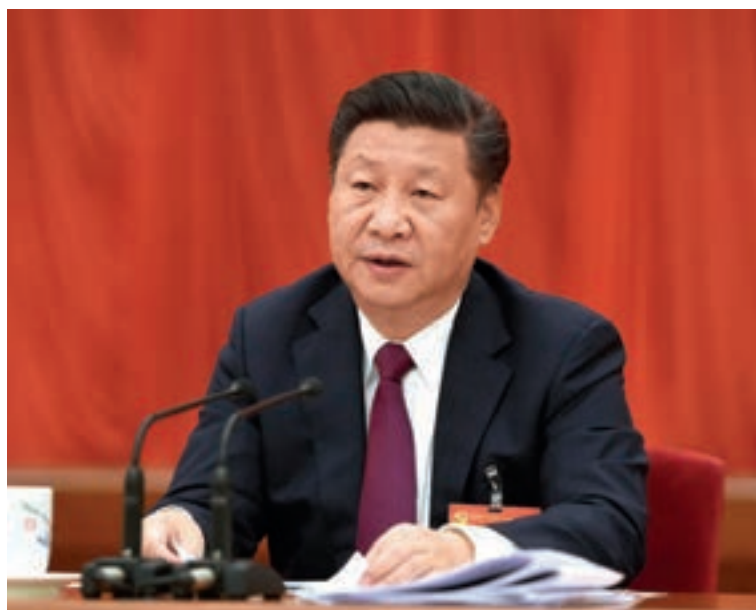
By Wang Hairong







The Sixth Plenary Session of the 18th Communist Party of China (CPC) Central Committee is held in Beijing from October 24 to 27, 2016. Pang Xinglei



President Xi Jinping, also general secretary of the Communist Party of China (CPC) Central Committee, speaks at the Sixth Plenary Session of the 18th CPC Central Committee, in Beijing, capital of China. The meeting was held from October 24 to 27 in Beijing. Li Xueren

The Sixth Plenary Session of the 18th Central Committee of the Communist Party of China (CPC) took place in Beijing from October 24 to 27, 2016. The meeting discussed important issues related to running the Party with discipline in a bid to root out corruption. Xi Jinping, general secretary of the CPC Central Committee, delivered an important speech.

The meeting called on all Party members to “closely unite around the CPC Central Committee with Comrade Xi Jinping as the core.” It stressed the importance of adherence to the collective leadership system.

Two documents were deliberated and adopted, namely the Norms of Political Life within the Party under the New Situation and the Provisional Intra-Party Supervision Regulation, according to a communique released right after the session. The session also passed a resolution on convening the 19th CPC National Congress in the latter half of 2017.

It endorsed prior decisions to expel four former senior officials from the Party and promised to resolutely address election malpractice by putting an end to the buying and selling of official posts or vote rigging.

Members of the CPC Central Committee are elected once every five years by the CPC National Congress. The central committee holds a plenary session at least once a year in Beijing to make decisions on important policies, with each plenum themed on different topics.

### Self-improvement

Today, the CPC is a large and vibrant Party that has ruled the country for 67 consecutive years and boasts 88 million-plus members.

In a speech marking the 95th founding anniversary of the CPC on July 1, 2016, Xi pointed out that over the course of its history, the CPC, relying firmly on the people, has crossed



Wang Zhongjian (L), vice president of the Party School of CPC Taijiang District Committee, studies two newly-adopted Party documents together with aged Party members in Fuzhou, Fujian Province on November 21, 2016. A regulation on the norms of political life within the Party, and a revision of an intra-Party supervision regulation were adopted at the 6th Plenary Session of 18th CPC Central Committee in late October. Song Weiwei



one obstacle after another and scored one victory after another. It enables China to keep up with the times and China's people to become richer and stronger.

"The CPC has made a historic contribution to the Chinese nation, turning it from a weak country bullied by others into the second largest economy in the world," said Xie Chuntao, a professor at the Party School of the CPC Central Committee.

Xie attributed the CPC's success to its pursuit of lofty ideals, its commitment to the prosperity and happiness of the people, and its persistence in running the Party conscientiously. "In the past 95 years, the CPC has been constantly engaging in self-construction and self-improvement, continuously innovating theories, and drawing from the common achievements of human civilization," he said. As the ruling party of a huge country with over 1.3 billion people, Party building is critical for the overall situation, Xie noted.

"To govern the country, we must govern the Party first. To govern the Party, we must be strict," said Xi in his July 1 speech. "Otherwise, salient Party problems that the people most complain about cannot be resolved. Then, our Party will, sooner or later, lose its ruling legitimacy and will inevitably be eliminated from history."

He asserted that the Party must constantly improve itself so as to be able to withstand "four tests"—tests in exercising governance, carrying out reform and opening up, developing the market economy, and meeting challenges from the external environment. It's also imperative to overcome the "four kinds of dangers" of lacking drive, incompetence, being out of touch with the people and corruption. According to Xi, cor-

ruption is the biggest threat to the CPC.

The remarkable thing about the 18th CPC Central Committee is that it has made unprecedented efforts in enforcing Party rules and has effectively combined intra-Party supervision with public supervision, Xie said.

### Stricter measures

Since 2012, the 18th CPC Central Committee, led by General Secretary Xi, has taken a series of measures to enforce a high level of discipline within the Party, including launching educational campaigns and carrying out organizational and institutional reform.

When Xi met the media after becoming Party leader in November 2012, he stressed that the CPC should supervise its own conduct, earnestly improve its working habits, and maintain close ties with the people. "To forge the iron, the hammer must be strong," he said, suggesting the Party must first conduct itself honestly before addressing other problems.

In December 2012, the CPC introduced an eight-point rule to tackle this goal. Officials are urged to go to the grassroots to learn about the real situations, reduce their pomp during visits and meetings, simplify documents, limit overseas visits and reduce news coverage of them, and exercise thrift.

In June 2013, the Party launched a year-long "mass line" education campaign. This aims to improve ties between Party members and the general public, by focusing on tackling four undesirable working habits, namely formalism, bureaucracy, hedonism and extravagance. Party members were urged to





You Liangxing (C), a CPC member in Benggeng Village of Wuyishan, Fujian Province, examines his conduct according to the Party rules at a meeting of the village Party committee on October 26. Zhang Guojun

## The Internet offers a powerful platform for exposing corruption and other misconduct.

“look in the mirror, straighten their attire, take a bath and seek remedies” so as to correct improper practices.

On March 9, 2014, during China’s annual legislative meeting, Xi, as State president, stressed that leaders at various levels should be strict in morality, power and self-discipline and act with honesty in decisions, business and behavior. These points were later summarized as the “Three Stricts, Three Honests” education campaign. In April 2015, a circular which kicked off the campaign, was issued.

In February 2016, the General Office of the CPC Central Committee issued another educational campaign plan, calling on Party members to study the Constitution of the CPC and important speeches by Xi and to be a qualified Party member.

While these educational campaigns are effective, the Party has done more to improve itself, Xie said. It has revamped its human resources system and carried out institutional reform. The 18th CPC Central Committee has formulated and amended more than 50 Party regulations, he said.

For instance, in July 2015, the CPC Central Committee promulgated a rule on promoting and demoting cadres to address problems such as dereliction of duty, abuse of power and ensuring capable workers are put into office and incompetent ones are removed. At the just-concluded Sixth Plenary

Session, participants deliberated and revised the norms of political life within the Party.

## Intra-Party supervision

Intra-Party supervision is an important measure for Party governance. It mainly targets various levels of leading organs and officials, especially leaders, said Ren Jin, a professor within the Law Department of the Chinese Academy of Governance.

He explained that leading organs and officials are checked to make sure they comply with the Party Constitution and other CPC regulations as well as the national Constitution and other laws, following the democratic centralism principle. The supervision can be carried out through a number of measures including collective leadership and division of labor, disclosure of important matters, performance reports, petition responses, inspections, public opinion reviews, inquiry and cross-examination, and dismissals.

The CPC Central Commission for Discipline Inspection (CCDI) and lower-level commissions is dedicated organs for intra-Party supervision. The current provisional Intra-Party Supervision Regulation has been implemented since 2003. However, the situation has since changed, thus laws should be upgraded to reflect this, said Xie.

At the Political Bureau of the CPC Central Committee meeting on September 27, members heard progress reports on revising the regulation. After incorporating public feedback into the draft, the revised regulation on intra-Party supervision was approved at the Sixth Plenary Session.

Political Bureau members present stressed that intra-Party supervision should be carried out according to the Party Constitution and regulations, and should be combined with public supervision. People have the right to supervise government work, and the Party welcomes public supervision, Xie said. Clues from the public have contributed to the uncovering of many corruption cases.

Since China launched its anti-corruption campaign to “hunt tigers and swat flies” in late 2012, the combination of public supervision and intra-Party supervision has snared high-ranking officials such as Bo Xilai, former secretary of the CPC’s Chongqing Municipal Committee, and many lower-ranking ones as well as some State-owned enterprise executives.

The Internet offers a powerful platform for exposing corruption and other misconduct. In August 2012, Yang Dacai, an official in charge of work safety in Shaanxi Province, was photographed grinning at the scene of a deadly traffic accident. Netizens noticed his luxury wristwatch and later discovered more photos of him wearing expensive timepieces. An investigation began which confirmed Yang’s corruption. He was subsequently sentenced to 14 years in jail.

In 2013, the CCDI, the Party’s top discipline watchdog, launched an official website, Ccdi.gov.cn, which allows people to directly bring corruption and other disciplinary violations to Party attention. In recent years, the CCDI has been actively inspecting government departments and State-owned enterprises to root out corruption.

According to the CCDI, since 2013, it has carried out 10 rounds of inspections in 31 provincial-level administrative units. So far, inspection groups have already visited 213 orga-



nizations—nearly 80 percent of those targeted.

By August 31, the CCDI had investigated 139,622 cases of violation such as the unauthorized use of public vehicles, illegal acceptance of stipends and gifts, extravagant weddings or funerals, and meals paid for with public funds. These cases involved 187,409 persons, 91,913 of whom were disciplined by the Party.

From 2013 to September 2015, disciplinary watchdogs across the country investigated 1.02 million corruption cases and 1.01 million people have been punished accordingly.

Some corrupt officials and others guilty of economic crimes, who had fled overseas, have been tracked down and brought back to China through operation Fox Hunt, which was launched in 2014.

Since May, public security organs across the country have carried out Fox Hunt 2016. According to the Ministry of Public Security, by October 20, 634 fugitives had been captured from 67 countries and regions this year. Fifty-nine of them are suspected to have embezzled over 100 million yuan (\$14.76 million) each.

Based on the previous achievements in self-improvement and anti-corruption campaigns, the strong leadership of the CPC Central Committee, with Xi as the core, is believed by many observers to give China the impetus to realize its two centenary goals.

“It is vital to China’s targets to build an all-round moderately prosperous society for the CPC’s centennial in 2021, and for it to become a modern socialist country in time for the People’s Republic of China’s centennial in 2049,” said Liu Dongchao, a professor at the Chinese Academy of Governance.

Liu called the two documents, approved at the Sixth Plenary Session of the 18th CPC Central Committee, “a perfection of the CPC’s governance system, which will result in better intra-Party political life,” adding that the communique is “an embodiment of the Party’s strengthened awareness of its responsibilities.” (Beijing Review) ■



Party members and cadres pay a visit to an anti-graft education exhibition on May 17, 2016 in Minqing County, Fujian Province. Song Weiwei

# 12 keywords of the Communique of the Sixth Plenary Session

By Song Wei

The strict governance of the Communist Party of China has entered a new era with two regulations passed at a key meeting on October 27, 2016, paving the way for the Party’s national congress next year and its future development.

A regulation on the norms of political life within the Party, and a revision of an intra-Party supervision regulation were adopted at the Sixth Plenary Session of the 18th CPC Central Committee, which ran from October 24 to 27 in Beijing.

## Key word 1 - Comprehensive, strict governance of the CPC

Comprehensive, strict governance of the Communist Party of China is expected to inject fresh impetus into the 95-year-old Party and ensure faster economic growth that will contribute more to the global economy.

Xie Chuntao, professor at the Party School of the Central Committee of the CPC, said Party regulations and discipline are instruments for self-management, and they’ll become more comprehensive and stricter in the future.

Not only individuals who violate discipline shall face punishment, but Party organizations and disciplinary authorities in charge of supervising them shall also bear responsibility.

## Key word 2 - Xi as the Party’s “core”

The Sixth Plenary Session officially conferred on Xi Jinping the highest honor of being the Party’s “core” leader.

Xin Ming, professor at the Party School of the Central Committee of the CPC, said bestowing on Xi this honor is significant, since it affirms the authority of the central leadership and strengthens the internal solidarity of the Party.

## Key word 3 - Political life within the Party

The intra-Party supervision should start with the political life within the Party, and a more comprehensive, stricter governance of the CPC should also start with it, the Plenary Session pointed out.



Xin Ming, professor at the Party School of the Central Committee of the CPC, said a strict political life within the Party is the base of a more comprehensive, stricter governance of the CPC. The new rules should be set according to the changes of the Party, the country and the world.

## Key word 4 - Intra-Party supervision

Nothing will be out of bounds and no exception will be allowed in intra-Party supervision.

Intra-Party supervision should be carried out in accordance with regulations and by observing the principles of democratic centralism, top-down organizational supervision, democratic supervision from the bottom to the top, and peer review or critique.

The Sixth Plenum of the 18th CPC Central Committee has injected fresh momentum into the country's anti-corruption campaign in the context of intra-Party supervision, said Li Yongzhong, former vice-president of the Chinese Academy of Discipline Inspection and Supervision.

## Key word 5- Strict discipline

Strict discipline has always distinguished the CPC from all other political parties. It was strict discipline and its stern implementation that helped the Party lead the revolution to victory in 1949 and achieve rapid economic development over the past more than three decades.

Dai Yanjun, professor with the Party School of the CPC Central Committee, said strict discipline applies to every Party member, and it is "a precise incision" to a comprehensive, strict governance of the Communist Party of China in a new era.

## Key word 6 - Intra-Party democracy

Intra-Party democracy is vital to the Communist Party of China (CPC), and is fundamental to a positive, healthy internal political environment.

No Party organization or individual should suppress or undermine intra-Party democracy.

Party authorities at all levels must conduct thorough investigations and research, and solicit opinions from various sides before making any major decisions or arrangements.

Party members have the right to, responsibly expose or report any Party organizations or members breaking the laws or flouting the Party's disciplines, it said.

The communique called on authorities to make it more convenient for Party members to express their opinions and create a "political atmosphere of democratic discussion within the Party".

Xin Ming, professor at the Party School of the Central Committee of the CPC, said every Party member's democratic right should be protected, and as the channels to express opinions of Party members should be broadened, so as to stimulate positive energy.

## Key word 7 - Anti-graft

The Party will stick to the policy of no restricted zones, full coverage and zero tolerance in its fight against corruption. There will no longer be any place for corrupt officials to hide in the CPC.

Xie Chuntao, professor at the Party School of the Central Committee of the CPC, said the communique has indicated the anti-graft

will be always on the road and there will be no end.

## Key word 8 - Senior cadres

The Sixth Plenary Session asks senior cadres to take the lead in all respects, and set the bar high, so that Party members and the public follow the example.

The main targets of supervision are the CPC's top organs and officials, particularly senior officials.

Xie Chuntao, professor at the Party School of the Central Committee of the CPC, said not only individuals who violate discipline shall face punishment, but Party organizations and disciplinary authorities in charge of supervising them shall also bear responsibility.

"Some people thought in the past that if they did not violate discipline themselves, they would not be blamed. But if they are a leader of a Party organization, and a member in that organization commits a serious breach of discipline, they will also be punished for ignorance and failure in supervision," Xie said.

## Key word 9 - Power supervision

The plenum approved two documents on the norms of political life within the Party and intra-Party supervision, in order to ensure power wielded by officials is indeed put in the institutional cage.

Power, without checks, leads to corruption. In other words, no matter how many corrupt officials are arrested and punished, more will emerge unless the power structure and personnel management system are overhauled, said Li Yongzhong, former vice-president of the Chinese Academy of Discipline Inspection and Supervision.

## Key word 10 - Mass line

The plenary session urged all Party members to carry out mass line, be people's good servant.

Dai Yanjun, professor with the Party School of the CPC Central Committee, said relying on and serving the people is the primary principle of the Party, and it should be applied into daily work.

## Key word 11 - Democratic centralization

The plenary session pointed out that democratic centralization is the basic organizational principle of the CPC, and it's also an important institutional guarantee for the intra-Party political life.

Wang Yukai, a professor of government administration at the Chinese Academy of Governance, said sacked officials and corrupt "tigers" have shown the loopholes in implementing the democratic centralization. The plenary session further specified the work discipline of chief Party members at all levels, and will not allow any violations under any circumstances.

## Key word 12 - Selection and appointment

The plenary session said the correct selection and appointment of personnel is an organizational guarantee for the intra-Party political life.

Professor Wang Yukai said the core of creating a healthy inner Party political ecology is the selection and appointment of people. Ban on bribery should be strictly enforced. (China Daily)





# Xi Jinping casts vote as local legislative elections begin



President Xi Jinping casts his ballot at a voting booth to elect new deputies for the local people's congress in his electoral district in Beijing, capital of China, November 15, 2016. *Lan Hongguang*



**P**resident Xi Jinping cast his ballot at a polling station in Beijing on November 15, 2016 to elect new deputies to the local people's congress.

Members of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee – Li Keqiang, Zhang Dejiang, Yu Zhengsheng, Liu Yunshan, Wang Qishan and Zhang Gaoli -- also cast their votes in Beijing.

Jiang Zemin and Hu Jintao voted by proxy.

Xi cast his vote at a polling station in Huarentang, Zhongnanhai electoral district in Xicheng District of Beijing, along with over 1,200 other voters.

Around 10 a.m. on the morning of November 15, Xi arrived at the polling station, gave his elector's card to staff and got a ballot. He cast his ballot after filling it.

Xi said the county and township-level election is a major political event of the country, requiring adherence to the Party's leadership, democratic spirit and acting in accordance with laws, to ensure the people's right to vote and the right to be elected.

He called for a zero-tolerance attitude toward electoral misconduct.

It is the second election since the Electoral Law granted equal representation for rural and urban residents.

Since 1995, each rural deputy had represented a population four times that of their urban counterparts.

Elections of new lawmakers at county and township levels across China have been completed or are being carried out in 29 provincial-level regions since the first half of the year of 2016.

## Candidates must be nominated by political parties, social organizations, or a minimum of 10 voters in their constituency.

"Elections in China are becoming more open and transparent. Participation is crucial, and the people have shown great enthusiasm," said Liu Wei of Renmin University of China.

Other senior officials and retired officials of the CPC Central Committee, the National People's Congress (NPC) Standing Committee, the State Council, the Supreme People's Court, the Supreme People's Procuratorate, the Chinese People's Political Consultative Conference National Committee and the Central Military Commission, also voted either in person or by proxy.

About 9 million people cast their ballots at a total of 12,270 polling stations in Beijing on November 15, to elect 4,373 new deputies to the people's congresses at district level, and 9,946 deputies to township-level people's congresses.

According to the law, candidates must be nominated by political parties, social organizations, or a minimum of 10 voters in their constituency.

Before the final vote, electoral committees will, on voters' request, arrange for candidates to meet with voters to introduce themselves and answer questions.



Residents in Tancheng County, Shandong Province go to a polling station to cast their votes to elect deputies to the people's congresses at county- and township-level on December 26, 2016. A total of 307 deputies to the county people's congress and 992 deputies to the township people's congresses were elected in Tancheng, which has more than 700,000 registered voters. Fang Dehua

## Major political event

Nationwide, more than 900 million voters are expected to directly elect more than 2.5 million lawmakers in county or township-level elections.

Under China's current Electoral Law, deputies to people's congresses at the level of townships and counties, who account for more than 90 percent of lawmakers at all levels nationwide, are elected directly by voters.

They in turn elect deputies to people's congresses of cities who then elect deputies at the provincial level.

NPC deputies are elected by people's congresses of provinces, autonomous regions and municipalities.

It is via the NPC and local people's congresses at different levels that the Chinese people are involved in managing State affairs and exercising State power.

"Our country sets great store by this year's elections, with more strict procedures to vet candidates," an expert on elections and the system of people's congress with Fudan University said on condition of anonymity.

"On the path of rule of law, the Party and government are making solid efforts to safeguard people's rights, and more and more people are becoming aware of their own rights," he said.

While noting that the election systems in China and the United States have huge differences and cannot be compared to each other, he highlighted one trait in China's people's congress elections that is absent in its American counterpart

## More than 900 million voters are expected to directly elect more than 2.5 million lawmakers in county or township-level elections.

-- stipulations that require an "appropriate proportion" of women deputies and those of ethnic minorities and that such ratios should increase steadily.

In fact, the ratio of deputies from many minority groups exceeds the ratio of their population.

For example, among nearly 3,000 NPC deputies elected last time, 20 are from the Tibet Autonomous Region, of whom 12 are from the Tibetan ethnic group, and one each from the Moinba and Lhoba ethnic groups. Deputies from Tibetan and other ethnic minorities account for more than 93 percent of all deputies elected at the levels of region, prefecture, county and village in Tibet.

Women in Tibet have also seen their status raised. Female deputies make up 25.4 percent of the total in the Tibet regional people's congress.

"Every country needs an election system that caters to its own cultural tradition and social environment. There's no definite answer which country has the best election system. Every system has its positive sides and is evolving through practice," Liu added. (Xinhua) ■



A voter casts her ballot at a voting booth to elect new deputies for the local people's congress in Beijing on November 15, 2016. *Chen Yehua*





Xiaogang Village, Fengyang County, Anhui Province CFP

# How is a deputy to grassroots legislature elected?

–Election of deputies to county and township people’s congresses in Xiaogang village

By Yin Hong and Li Wei

**I**t was drizzling in the bitter winter in Anhui Province in October 2016. The big red ballot box was transferred from the square next to the “Reform Avenue” to the hall of Xiaogang Village Committee. December 25 of 2016 is the day when voters in Xiaogang village, Fengyang County, Anhui Province elected the deputies to people’s congresses of both county and township levels. In Xiaogang village, which is also the fourth electoral district of Xiaoxihe township, the light rain cannot dampen the enthusiasm of villagers to exercise their voting rights. They came to the village committee quite early, which turned very busy soon.

The election started at 9 a.m.. Under the direction of officers, villagers cast ballots solemnly to support the candidates

they trusted. Most of the ballots would be collected in the polling stations with several mobile ballot boxes. On the election day, deputies to the people’s congresses of both county and township levels would be elected.

Xiaogang electoral district would elect three deputies to Xiaoxihe township People’s Congress. Another two deputies to the People’s Congress of Fengyang County would be elected in the fourth electoral district of Xiaoxihe township where Xiaogang village locates.

Xiaogang villagers used to press red hand-prints to decide primary issues. Nowadays, people in Xiaogang village, which was the birthplace of China’s rural reform, are able to express their wills and exercise democratic rights through voting. “People are the leading force of our country” is well reflected.

## Voters exchange views with candidates by face-to-face meetings

“I was born and grew up in Xiaogang village. I used to work in the express delivery and logistics company, and now I return to start my own business. I wish my hometown could be more and more beautiful. I will try my best to lead the whole village to achieve prosperity,” said Yin Yurong, the only female candidate. Although Yin was a little nervous in such environment, her words were plain and pragmatic.

“I came to meet with you as a candidate. If I get elected, I will perform my duty by visiting villages and farmers’ homes and conveying your voices to the people’s congress,” said by Yin Xingchang, a candidate as well as secretary of Party committee of Xiaoxihe township.

Yan Jinchang, one of the leaders of “all-round contract” program, has been concerned about the development of Xiaogang village. He asked the candidates if they have any proposal on how to help villagers to earn more money and have a well-off life.

Although born in other places rather than Xiaogang, Yin Xingchang answered excitedly that he won’t leave Xiaogang unless the village make great achievements within next three years, build the 5A level scenic region, and the people can have a better-off life.

Villager Cui Zhilin was very satisfied with this answer. He said that this election was announced very early and his son and daughter-in-law were both concerned with local development. They discussed about the election every time when they talked on the phone. The representatives of people are elected by people and people trust their deputies. Cui Zhilin posted the ballot to his son Cui Zhengbo and daughter-in-law You Lili quite early, and served as their proxy to vote since the traveling expenses was too high.

After the meeting, Cui Zhilin had the answer and cast the vote for his son and daughter-in-law as well as himself on the election day.

## Mobile ballot boxes help to safeguard the right of voting

Despite of the chilly rain on the election day, people streamed in and out to vote. At the same time, deputy secretary of Party committee of Xiaogang village was quite busy with putting 9 mobile ballot boxes to work. As scheduled, staff was divided into 9 teams, each taking one mobile ballot box. They went to every family of 23 villager groups to ensure those electorates with physical disabilities could vote in time.

At 10 a.m., the 9 teams set out to all villager groups. Deng Minghua’s home was at the north side of Friendship Avenue in the core area of Xiaogang. Due to the cold weather and Deng’s poor physical conditions, Yan Yushan, member of the Party committee, took the ballot box to Deng’s bedroom so that she could exercise her democratic right.

The staff gave Deng two ballots, one was red and the other was pink. Due to Deng’s poor eyesight, Deng’s son Yan Jiuchang read the words on the ticket and Deng told Yan her choice. Deng insisted that she cast the vote by herself whispering that she was going to choose the deputy she trusted.

Zhao Dengxiang could not get to the polling station because his legs got amputated after a traffic accident. Cheng Xiru was busy with food transportation business and missed the voting. They both felt pity about it, fortunately the mobile ballot box arrived their homes at 2 p.m..

“We set 2 polling stations and 9 mobile ballot boxes,” introduced by Wu Xiaolin, the first secretary of the Party committee of Xiaogang village. “As long as the voters are in the village, we would make sure everyone can exercise their democratic right.”

## Voters place great expectations on the deputies

It takes only a few seconds to cast the ballot, but the voters will keep watching if the deputies they choose seriously perform their duty.

Yan Jinchang is very proud that the deputy he voted for in the previous election solved a big problem he voiced.

Xiaogang village is a 4A level scenic area with lots of travelers. However, there was only one route of electric wire. The whole village would have a blackout if the wire broke down. Blackouts from time to time not only affect villagers’ life, but also trigger complaint from the travelers, which would impact the development of local tourism industry.

Yan Jinchang talked with Guan Youjiang, who is also one of the leaders of “all-round contract” program. As the deputy to the People’s Congress of Anhui Province, Guan made a proposal in the session of provincial people’s congress, and it got resolved in 2014. Nowadays, there are two electric wires in both south and north parts of Xiaogang village to ensure that one wire will be working if the other is under maintenance.

“The deputy we choose can reflect our demands to the people’s congress and they also convey the instructions from the central government. This kind of communication between higher authorities and grassroots can solve many pressing issues. Therefore, deputies are very important,” said Yan Jinchang, who had high expectations on the new deputies.

Tu Dequan is from Gansu Province. He has been working here for 6 years since Jinpeng Mineral Limited Company settled down in Xiaogang village. According to relevant regulations, migrant workers qualified for voting can register and apply for voting after living in the current place for more than a year.

Tu, who chose to vote in Xiaogang electoral district, said that besides agriculture, a food industrial park was newly founded in Xiaogang and more and more enterprises arrived here. People who came from other places to Xiaogang are most concerned with how to integrate these enterprises with local characteristics. Fully exercising the voting right is the foundation of better development in Xiaogang.

On December 28, 2016, Fengyang County announced the result of the election in the fourth electoral district. Yin Xingchang and Zhou Qunzhi were elected as the deputies to the People’s Congress of Fengyang County, while Yin Xingchang, Cheng Xibing and Yin Yurong were elected as the deputies to Xiaoxihe township.

Tu said it is the villagers’ hope that the deputies they trust can fulfill their commitment by conveying the villagers’ voices and getting things done. (Guangming Daily) ■





Villagers from Derou village, Gande County in Qinghai Province gather to select deputies to local people's congress on August 20, 2016.

## Democratic practice on the Plateau

**E**lecting deputies to people's congresses at the county and township levels is a major event in the political life at the grassroots. By casting votes to the ones trusted, people participate in the exercise of the State power. As an important practice of the development of the socialist democracy, it demonstrates the fact that it is the Chinese people who govern the country.

The NPC reporter goes to Qinghai Province and learns that the Party committees and congresses at different levels conscientiously have implemented the deployment of the CPC Central Committee and conducted the election work in accordance with the law. As of September 26, 2016, all the counties and townships of the 8 prefectures and cities of the province have finished the election process, electing 5,151 new county deputies and 15,622 new township deputies.

According to Mu Dongsheng, Party secretary and deputy chair of the Standing Committee of Qinghai Provincial People's Congress, the county and township people's congresses form an integral part of the State power and governance. Since the 18th National Congress of the Communist Party of China (CPC), the CPC Central Committee and the Qinghai provincial committee have made a series of major decisions

**By casting votes to the ones trusted, people participate in the exercise of the State power.**

and deployments in order to promote the system of people's congresses. By putting those decisions into practice, the election will further perfect the structures of those county and township deputies, improve the quality of their performing the duties and finally contribute to the modernization of the State governing system and capacity.

**Various measures taken to publicize and mobilize the election**

At the start of the election in Qinghai, local media including newspapers, radio and television, banners and electronic screens were fully deployed to publicize the significance, guidelines and notices of the election to every constituency,

## Despite the difficulty, the counties and townships made great efforts to register all the qualified voters correctly.

ensuring the rules and policies of the election known among every family.

“We have done extensive publicizing and mobilizing work. Each village held a mobilizing meeting attended by villagers and issued printed materials to each family,” said Yuan Zhanliang, Party secretary of Taizi Township of Huzhu Tujia Autonomous County. In Taizi Township, over 6,000 letters were mailed to voters living in their hometown or other places, and 60 issues of wall newspaper, 24 banners and over 1,200 slogans were displayed to ensure that every voter knows about the election, laying a good foundation for electing the new congress in accordance with the law.

During corresponding interview in some counties and townships, NPC finds almost everywhere such slogans as “strengthen the leadership of the Party, fully exercise democracy and strictly abide by the law”, “do a good job in registration and guarantee voters’ democratic rights”, “guarantee the voting right of mobile population”, and “electing people’s congresses at the county and township levels is an important practice of developing socialist democracy.” The letter written to voters and the notice of the election were also displayed everywhere.

The Arou Township of Qilian County also employs such publicizing methods with local style as singing “teasing songs”. Kalzang, the township director, said that “teasing songs” is a traditional art form that the local Tibetan people enjoy. In this way, the election turns more appealing to the local people.

### Register all the voters

Compared with China’s eastern and central areas, Qinghai has a larger area and a scattering population which makes registering voters a tough job. Despite the difficulty, the counties and townships made great efforts to register all the qualified voters correctly.

According to Chen Biao, vice-chairman of the Standing Committee of the Haiyan County people’s congress, the county carefully conducts the registration in accordance with the law. “We visit every family, find out and keep all the qualified voters in record. Then we put up bulletins to list the voters. The registration is conducted in a fine, concrete and accurate way,” said Chen.

With the rapid economic and social development, people migrate frequently. In most cases a locality has both the people moving out and the people moving in. In response to this situation, Qinghai Province requires all the counties and townships to strengthen the communication among the election committees of different areas and does the registration in accordance with the law, ensuring voters neither be missed out nor repeatedly registered.

Haixi Mongol and Tibetan Autonomous Prefecture, for example, adopts various approaches to do the registration. An



Officials from Arou township, Qilian County in Qinghai Province check the information of voters before the election of local people’s congresses deputies in 2016.

all-round registration is conducted based on the household registration information. Officials from the local townships and villages visit villagers’ home to help voters to register on the spot. Meanwhile, posters are put up in public places and notices sent to villagers to guide voters to do the registration. For migrants, officials make phone calls or ask their family members or relatives to inform them on the registration. For those migrants willing to vote in their residential place, the relevant qualification documents are provided for them to register.

Thanks to the efforts made during the registration process, voter turnout is very high across the province. The voting rights of the people including those migrants are safeguarded.

### Send ballot boxes to the fields

The election day is set in the middle of August or in late September 2016. For farmers and herdsmen, the busy season means that some of them cannot come to the spots of the





election conference and voting stations to cast their votes.

Considering the situation, in some townships such as Xiangride, Xiariha, Zongjia and Balong of Dulan County, either the voting conferences are arranged at night, or the ballot boxes are sent to the fields.

In Arou Township, mobile ballot boxes play a big role. “Most voters here are herdsmen and they live in a scattered way. It takes a whole day to ride from the town to the remote residence. For the convenience of voters, mobile ballot boxes come in,” said Kalzang. To save time, staffers take on mountain roads by riding horses to send ballot boxes to voters’ home door to door. In 13 out of the whole 17 constituencies of the township, votes are collected by mobile ballot boxes, according to Kalzang.

### **Elect the one with whom you trust most**

On September 9, 2016, Pei Jinghai, one of the candidates, won 912 votes out of the 949 voters in the Xincheng constitu-

ency. He is elected as deputy to the people’s congress of Taizi Township.

Pei, a senior village accountant and former one-term deputy to the local congress, enjoys a high reputation. “I worked hard to solicit policy or projects support for the village, such as building roads or rebuilding dilapidated houses. Also I helped with the villagers’ appeals to be timely responded by the township government,” said Pei. “I am elected, and also expected. It is a heavy duty I must fulfill.”

On the same day, Xie Bao’an from Qiaka Village is elected as deputy to the people’s congress of Taizi Township. It is the second time for him to get elected. Villagers cast votes on him because he can do things for villagers. Qiaka Village is located in farming area and irrigation is needed. Villagers had been strongly asking for building irrigation facilities until Xie forwarded villagers’ wish to the township. In 2014 more than 400,000 yuan was allocated to build a tiny reservoir for Qiaka Village. In 2015, he also successfully raised 300,000 yuan to rebuild the roads.

According to voters like Dai Yun from Qiaka Village and Diao Qingshan from Shangtai Village, the democratic rights are more and more cherished. “In the past, villagers voted at the cadre’s request. Now they cast votes on their own.” Villagers will make comparisons among candidates and vote for the most capable one who can represent their interests.

### **Proportion of the grass-roots representatives getting higher and the structure further optimized**

The NPC reporter found that in the newly elected county and township people’s congresses in Qinghai, the representation structure is further optimized, with a higher proportion of workers, farmers and professionals, a higher proportion of female deputies, a lower proportion of Party cadres, a guaranteed proportion of ethnic minority deputies, and a proper proportion of re-elected and non-Party-member deputies.

In Huzhu Tujia Autonomous County, for example, it has a population of 405,019 and 288,916 registered voters. Among the 195 newly elected deputies to the county people’s congress, the 103 worker deputies account for 52.8 percent, the 82 cadre deputies account for 42 percent, the 63 ethnic minority deputies account for 32.3 percent, the 57 female deputies account for 29.2 percent, and the 40 re-elected deputies account for 20.5 percent. The education structure of deputies has been improved considerably, with 93 deputies with a college degree or above accounting for 47.7 percent, 5.1 percent higher than that of the last term. The age of deputies gets younger, with 25 deputies under 35 years old accounting for 12.8 percent, 161 deputies between 36 and 55 years old accounting for 82.6 percent, 10 deputies over 56 years old accounting for 5.12 percent.

It is also worth mentioning that the standing committee of people’s congress of Haiyan County has conducted a survey and appraisal of the performance of the deputies. Based on the results of the appraisal and the requirements for the new deputies, the standing committee of Haiyan people’s congress selected 20 deputies as the candidates for re-election to ensure a smooth succession and further enhance the performance of deputies. (NPC) ■

# Third reading of the General Provisions of the Civil Law: Ready for the 5th NPC plenary session



During the 25th session of the 12th NPC Standing Committee held in Beijing, senior lawmakers review the draft general provisions of the civil law under third reading. *Ma Dongxiao*





**O**n December 19, 2016, the draft General Provisions of the Civil Law was submitted to the 25th meeting of the Standing Committee of the National People's Congress (NPC) for deliberation. This is the third reading after the previous two respectively held in the 21st and the 24th meetings of the 12th NPC Standing Committee. The latest draft focuses on public concerns, adding a couple of new provisions on socialist core values, guardianship, special legal person, unincorporated organization, legal person status of some organizations, those who do good things from worries shall be exempted from liability and so on. The related provisions were improved and modified.

During the deliberation, members of the Standing Committee discussed the above-mentioned hot issues. They agreed that the draft has been quite mature due to various deliberations and suggestions solicited from the public. On December 25, 2016, the 25th meeting of the Standing Committee approved the proposal for submitting the draft General Provisions of the Civil Law to the 5th session of 12th National People's Congress for deliberation.

## Legal person is one of the subjects of civil rights as compared to natural person.

### New category of legal person added

Legal person is one of the subjects of civil rights as compared to natural person. It is of great importance to recognize the role it plays in facilitating and encouraging transactions. In the drafts for the first and second readings, legal persons are divided into two categories, profit one and nonprofit one. Some members of the Standing Committee as well as related ministries and local governments hold that there are some legal persons who belong to neither the profit one nor the nonprofit one judging from many standards including the way they are established. They suggested adding a new category which is the special legal person.

Li Shishi, vice chairman of the Law Committee of the NPC, said that taking the current social conditions into consideration, we put the special legal person including the official organs, grassroots self-governing organizations, rural collective economic organizations and cooperative economic organizations into the draft for the third reading, so as to help the above-mentioned legal persons better participate in civil activities, and protect their legal rights and their counterparts in civil activities.

Some members of the NPC Standing Committee expressed their own ideas during the discussions. Member Liu Zhenwei was for the setup of special legal person, saying that it was based on the actual social and economic situations of our nation, soliciting different opinions from all walks of life, integrating law and economy together in legislation, and setting a good example for drafting laws in a scientific and democratic manner.



Zhang Dejiang (R front), chairman of the NPC Standing Committee, talks with a local resident at Tongji community of Lizhuang Township in Yibin, Southwest China's Sichuan Province, November 21, 2016. *Liu Weibing*

Zhang Dejiang, chairman of the Standing Committee of the National People's Congress (NPC), called on legislators to pool their wisdom and uphold democracy in the making of the general provisions of civil law.

Zhang made the remarks during a trip to the southwestern province of Sichuan from November 21 to 23, 2016.

Zhang said that the legislation should be of high quality since the general provisions will play a leading role in the civil code, which, as an important and basic law of the socialist legal system, is closely linked to people's immediate interests.

Further polishing and improvement is still needed, though the draft was deliberated twice by the top legislature.

One of the major objectives of the general provisions is the protection of property rights, Zhang said, stressing that obligations should be undertaken accordingly.

Zhang urged authorities to enhance the protection of intellectual property rights.

At a seminar held in provincial capital Chengdu, Zhang stressed that while making the general provisions, the essence and principles of the Constitution must be reflected, improved existing laws and the relationship between civil law and other legal entities appropriately handled.

## The guardianship system got a lot of public attention and became a heatedly debated issue during deliberations.

Other members believed that it was a great step forward to abandon the abstract division of profit and nonprofit legal persons, however, there is still trouble in defining whether the private schools, hospitals and nursing homes belong to special legal persons or not, since they are both for the welfare of the society and profit-oriented. They suggested further division be made under the special legal persons.

Gu Shengzu disagreed to put the private schools, hospitals and nursing homes into the category of enterprises. He said we should emphasize the protection of property rights in classifying legal persons, making it help arousing the initiative of the private capital. Li Lu said that the identity of special legal persons should also be given to those who are good for the social welfare on the one hand and make some profits



on the other hand.

Zhang Mingqi held that provisions concerning civil liability bored by the legal persons should be adjusted, making it more specific. The draft stipulated that the legal person shall bear civil liability when the legal representative causes damage to others because of the execution of duties. Zhang said that the legal person shall also bear civil liability when others except the legal representative cause damage to others because of the execution of duties.

The draft added one category to the unincorporated organizations, namely the special service organizations and other organizations which are not qualified as a legal person, for example, the law firm and the accounting firm. Wang Zuoshu suggested adding provision about whether the unincorporated organizations can make profit or not, how they handle their properties, and how their taxes are collected.

Mo Wenxiu said that “we should let the special legal person know how they withdraw from the category and in what way they will bear liability.” Zheng Gongcheng suggested the special legal person be clearly defined as legal organizations and other organizations established in accordance with the law, in order to identify the special organizations set up according to the Trade Union Law and the Law of Red Cross Society.

According to the draft, the neighborhood and the village committee are endowed with the identity of legal person, saying that “the neighborhood and the village committee are among grassroots mass self-governing organizations and qualified as legal persons carrying out civil activities for performing their duties. For the villages which don’t have collective economic organizations, the village committee shall exercise the function of collective economic organization.” Some members held that the legal status of proprietors’ committee of the community should be clarified as well.

## Guardianship system improved to provide better protection

Guardianship system is set up to protect the persons without or with limited capacity for civil conduct, embodying the care of civil law towards those who lack capability to get the knowledge of social environment because of either age or health condition. Therefore, the guardianship system got a lot of public attention and became a heatedly debated issue during deliberations.

Li Shishi pointed out in the report that as suggested by the members of the Standing Committee, deputies to the NPC, representatives from local governments and grassroots officials, the draft for third reading make some improvements on guardianship system. According to the previous version, for someone who doesn’t have a guardian, the neighborhood or village committee in the place of his residence or the civil affairs department shall act as his guardian. Now the provision is revised emphasizing the liability of civil affairs department. The new draft stipulated that for someone who doesn’t have a guardian, the civil affairs department shall act as one’s guardian, so does the qualified neighborhood or village committee in the place of one’s residence.

Another change is about resuming the qualification of guardian. According to the previous version, the minor’s parents who are disqualified for committing intentional crime



The 25th session of the 12th NPC Standing Committee kicks off in Beijing to deliberate the draft general rules of civil code. Li Shishi, vice chairman of the Law Committee of the NPC, makes an explanation on the draft on December 19, 2016. Sheng Jiapeng

towards their children could be resumed the qualification of guardian. The stipulation is modified to be stricter, saying that the above-mentioned parents shall never be resumed the qualification of guardian.

Wan E’xiang, vice chairman of the NPC Standing Committee, said that previously parents who showed genuine repentance after committing intentional crime towards their children could be resumed as guardian, but in judicial practice it is hard to judge whether the parents indeed repent or not, thus it may hurt the guardianship between the minors and their new guardians. Zheng Gongcheng held that for the left-behind children, if the local governments bear the liability when the parents of the children are disqualified as guardian, then there may be more women leaving their families and it may cause a vicious cycle. “The guardian can be disqualified according to the law, but they should assume the property-related obligations.”

Zhou Xiling, deputy to the NPC, said that statistic shows that there are now around 100 million left-behind children in China, accounting for one third of the minor population. It is quite common that the guardian fails to fulfill the duty of guardianship and the left-behind children have imposed great pressure upon social administration. As referred to article 16 in the Minor Protection Law and the Suggestion of the Supreme People’s Court on Several Issues Concerning the Implementation of General Principles of Civil Law, Zhou suggested adding a provision to article 26, saying that the liability as a guardian can be partly or entirely entrusted to close relatives and other social organizations when the parents are unable to fulfill their duty of guardianship for objective rea-

sons. The guardian shall bear liability when the ward causes damage to others' lawful interests, and the trustee shall be held jointly liable.

The guardianship system is established for better protecting the lawful interests of the ward. The draft applied the principle which is favorable to the ward, showing more respect towards them. Dong Zhongyuan said that the meaning of "respect" is not clear enough in legal language and judicial practice, therefore the wording should be changed into "ask the ward for permission" rather than "respect".

Fu Yuelan suggested adding a provision into article 29, saying that the treaty is of no legal effect if it opposes the will of or cause severe damage to the ward's interests.

Gao Guangsheng, deputy to the NPC, held that the guardian shall be identified by notarization, ensuring the transparency and legitimacy of the process, reducing guardianship-related disputes and lawsuits from the source, giving into full play of the notarization organization in preventing people from violating the law.

The capacity for civil rights of fetus is of high concern. Yun Feng said that according to the draft, the fetus is regarded as someone with capacity of civil rights in inheriting the property and receiving grant. However, their personal rights shall be given even more protection than their property rights. Yun suggested revising article 15 into "the fetus is regarded as being with capacity for civil rights whenever the protection of fetus's right is concerned." Mo Wenxiu said that at least the law should add provision that the compensation request could be made if the lawful rights of the fetus are damaged.

## Acts of bravery exempted from liability

Rights stand at the core of law, and also the final abstraction of diversity of legal life. The civil rights, as the power endowed by the civil law to realize the interests of civil subjects, shall be the core of civil law. As required by the Central Committee of the Communist Party of China, the draft integrates the socialist core values into rule of law, emphasizing that the splendid culture of the Chinese nation shall be carried forward and the socialist core values practiced in civil activities.

The draft has principle provisions on how the civil rights are obtained and exercised, and the rights as compensation for expropriation and requisition. The draft added provisions about expropriation and requisition, saying that fair and reasonable compensation shall be given for the expropriation and requisition of intangible or tangible property in public interests within the jurisdiction and under the process in accordance with law. Members of the NPC Standing Committee stood for the revision.

Legislators attending the deliberation expressed their points of views on other issues including definition and types of intellectual rights as well as new type of civil rights which were also extensively discussed by the members during the previous two deliberations.

Yang Zhen said that software is a defining element for the Internet in the future, that is to say, computer software is also an important intellectual property right. The software is not virtual property, it is a real one. Therefore, article 128 which is about the protection of virtual property such as data and Internet doesn't apply to the computer software. Yang sug-

## Credit has become increasingly important in people's economic life, and it is urgent to advance the credit system and protect the credit right.

gested adding the content related to computer software into article 123 or article 6.

Guo Jun, deputy to the NPC, said that conventional intellectual property rights is about copyright, trademark and patent. But more will be added as the society develops. The definition of intellectual property rights as referred to in article 123 even doesn't touch patent, which is obviously not the reality. She suggested that we take into full consideration of the connection between the draft and other laws concerning intellectual property rights, making its definition better understood by the general public.

We have gradually seen more new types of civil rights requiring recognition and protection by the civil law. How to catch up with the times and protect the lawful interests of the civil subjects with equal status has become a major concern of the Standing Committee. Credit right and personal information protection are two among them.

Yun Feng said that as the socialist economy develops, there will be more credit-related activities carried out by the civil subjects. Credit has become increasingly important in people's economic life, and it is urgent to advance the credit system and protect the credit right. Putting the credit right into the category of personal rights helps build social trust. At present, credit right is not considered as being with independent status in the civil law, which should be changed. Therefore, Yun suggested adding credit right into the category of civil rights in article 109.

What Yang Zhen concerns is how to better protect personal information which is related to the interests of people. Behaviors of the service provider should be well regulated in order to prevent information leaking from happening. He suggested that provision should be added to article 110 that business operators and service providers shall be held liable for the safety of the information they collect and use during the service. Also he advised formulating Personal Information Protection Law as soon as possible.

Some members of the NPC Standing Committee and NPC deputies proposed that to encourage and protect samaritan behaviors, it should be stipulated in the General Provisions of the Civil Law that those who rescue and help others but cause damage to the person rescued shall be exempted from bearing civil liability. The Law Committee of the NPC suggested adding provisions that the person who rescues and helps others in emergent cases but causes damage to the person rescued shall be exempted from bearing civil liability, except that serious misconduct happens. During the deliberation, the attendees thought it is hard to define serious misconduct and separate those who don't know how to rescue and those who have misconduct.

About the debt responsibility of lease holding farm households, according to the report made by Li Shishi, some depu-





Zhang Dejiang (4th L, back), chairman of the NPC Standing Committee, presides over a symposium on the draft general provisions of civil law in Beijing, capital of China, October 10, 2016. *Ma Zhancheng*

ties to the NPC said that in practice, the lease holding farm is operated by some members of the households. The Law Committee of the NPC suggested the provision revised into “the debts of a lease holding farm household shall be secured with the individual’s property if the business is operated by an individual. For the farm actually operated by some other members of the household, then the debts shall be secured with the property of these members.”

Xu Weigang said that the rights of ownership, contract and operation are separated. Under this condition, those who operate the farm may not be the contractor, and then it may cause incompatibility between different laws. He suggested the provision revised into “the debts shall be secured with the property of the business operator.”

Gao Guangsheng said that the law is lagged behind the social conditions from day one it comes into force. It is impossible for the law to cover all kinds of conditions as civil disputes increased in an unimaginable pace. When the law and habit is not enough to address the disputes, then we have to resort to the civil principles between rights and obligations. Otherwise, the law will be applied in a rigid way and the judiciary department will find it difficult to flexibly handle the problems. He suggested a provision added to article 9 that civil principles could be applied to the cases which can’t be addressed by legal habits. (NPC) ■

Zhang Dejiang, chairman of the Standing Committee of the National People’s Congress (NPC), called for a civil code that is scientific and embodies Chinese characteristics on October 10, 2016.

Zhang made the remarks at a symposium on the draft general provisions of the civil law.

In June 2016, a draft was submitted to the NPC Standing Committee for a first reading, marking the start of the legislative procedure of codification.

Compiling the code and formulating the general provisions must “uphold the Communist Party’s leadership, adhere to the right political direction and stick to the socialist rule of law to ensure that the code reflects the Party’s positions, the spirit of the Constitution and the people’s will,” said Zhang.

Zhang said that the work should focus on “showcasing the socialist nature of the State and Chinese characteristics,” stressing the importance of being confident in China’s political system and culture.

The code should be suitable to the nation’s conditions and conducive to solving the practical problems of the time, helping boost development and good governance, Zhang added.

Zhang also underscored the notion of “governing for the people” and people-centered development in the codification process. “The protection of legal rights of civil subjects must be strengthened through improving the civil law system,” he said.

Zhang called on legislators to carry forward the socialist core values and the essence of Chinese traditional culture while compiling the code.

China should learn from, rather than blindly copy, the best practices of other countries in promoting the rule of law, Zhang added.



A flag raising ceremony is held at the Golden Bauhinia Square, Hong Kong. *Hong Shaokui*

# Interpretation of Basic Law of Hong Kong SAR adopted unanimously

China's top legislature adopted an interpretation of Article 104 of the Basic Law of Hong Kong Special Administrative Region (SAR) by a unanimous vote on November 7, 2016.

The interpretation was issued by the National People's Congress (NPC) Standing Committee following the behavior of a handful of legislators-elect during the election of Hong Kong's Legislative Council (LegCo) and the subsequent swearing-in ceremony.

Article 104 of the Basic Law stipulates: "When assuming office, the chief executive, principal officials, members of the executive council and of the legislative council, judges of courts at all levels and other members of the judiciary in the Hong Kong Special Administrative Region must, in accordance with law, swear to uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China and swear allegiance to the Hong Kong Special Administrative Region of the People's Republic of China."

According to the interpretation of Article 104, "To uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China" and to bear "allegiance to the Hong Kong Special Administrative Region of the People's Republic of China" are not only the legal content which must be included in the oath prescribed by the Article, but also the legal requirements and preconditions for standing for election in respect of or taking up the public office specified in the Article.

Oath taking is a legal prerequisite and required procedure for public officers elected to office, it said.

No public office shall be assumed, no corresponding powers or functions shall be exercised, and no corresponding entitlement shall be enjoyed by anyone who fails to lawfully and validly take the oath or who declines to take the oath, it spelled out.

An oath taker must take the oath sincerely and solemnly, and must accurately, completely and solemnly read out the oath prescribed by law, the content of which includes "will uphold the Basic Law of the Hong Kong Special Administra-



tive Region of the People's Republic of China, bear allegiance to the Hong Kong Special Administrative Region of the People's Republic of China", according to the interpretation.

An oath taker is disqualified forthwith from assuming the public office specified in the Article if he or she declines to take the oath, the interpretation said.

Anyone who intentionally deviates from the written script or adds words that do not accord with the original oath prescribed by law, or is neither sincere or solemn shall be treated as challenging the oath. Thus, the oath is deemed invalid and the oath taker disqualified forthwith, it added.

The oath must be taken before a person authorized by law to administer the oath. The person administering the oath has the duty to ensure that the oath is taken in a lawful manner, the interpretation read.

The taking of the oath stipulated by Article 104 of the Basic Law is a legal pledge made by the public officers specified in the Article and is legally binding, it said.

The oath taker must sincerely believe in and strictly abide by the relevant oath prescribed by law. An oath taker who makes a false oath, or, who, after taking the oath, engages in conduct in breach of the oath, shall bear legal responsibility in accordance with law, it added.

A spokesperson with the Hong Kong and Macao Affairs Office of the State Council on November 7 issued a statement hailing the adoption of the interpretation as "absolutely necessary" and timely.

"The interpretation demonstrates the central government's firm determination and will against 'Hong Kong independence,'" the spokesperson said.

The spokesperson went on to say that the interpretation "underscores the authority of the Basic Law and the rule of law in Hong Kong."

Hong Kong is a local administrative region directly under the central government, the spokesperson confirmed, and the LegCo is a SAR legislative organ set up in accordance with the Hong Kong Basic Law.

"The interpretation of the Basic Law given by the NPC Standing Committee is the same as the law itself," the spokesperson added, stressing that relevant provisions in the Basic Law and its interpretation "must be implemented to the letter."

## Independent judicial power cannot go beyond Basic Law

Li Fei, deputy secretary general of the NPC Standing Committee, said at a press conference on November 7 that the independent judicial power, including that of final adjudication, exercised by the Hong Kong SAR, is provided by the NPC Standing Committee through the Basic Law.

Independent judicial power that violates or goes beyond the Basic Law shall not be allowed, according to Li.

The purpose of the NPC Standing Committee in clarifying the implications of relevant provisions in the Basic Law by issuing an interpretation is to ensure the accurate implementation of the provisions.

The NPC Standing Committee has the responsibility to issue an interpretation when disagreement on the provisions of the Basic Law in Hong Kong has affected the implementation of the Basic Law and the "one country, two systems" principle, according to Li.

## An oath taker is disqualified forthwith from assuming the public office specified in the Article if he or she declines to take the oath.

The interpretation "will provide a legal basis for the judicial and administrative organs in Hong Kong and legal guidance for citizens in the SAR," Li said.

The Constitution of the nation and the Basic Law of the Hong Kong SAR stipulates that the NPC Standing Committee exercises comprehensive and final rights when interpreting the Basic Law.

Local laws in Hong Kong shall not contradict the interpretation issued by the NPC Standing Committee in accordance with law, Li said, stressing the NPC is not interfering in the independent judicial power enjoyed by Hong Kong.

"Some people in Hong Kong, who appear as authorities of law, have spread fallacies and absurdities about the Basic Law when it was in the making," Li said. "And they continue to distort the law though it has been in effect for so many years, resulting in a trap of public opinion, which suggests any interpretation of the law is equivalent to interference in Hong Kong's independent judicial power."

## Nature of advocacy for 'Hong Kong independence'

In recent years, some people in Hong Kong SAR have publicly advocated for "Hong Kong independence," causing concern among all Chinese, including those who live and work in Hong Kong, said Zhang Rongshun, vice chairperson of the Legislative Affairs Commission of the NPC Standing Committee in an explanation of the draft interpretation on November 5.

The nature of "Hong Kong independence" is to split the nation, Zhang said, stressing the words and actions advocating "Hong Kong independence" would severely "damage national unity, territorial integrity and national security and affect the long-term prosperity and stability Hong Kong."

During the election of the sixth LegCo of the Hong Kong SAR, six candidates who publicly supported "Hong Kong independence" were deprived of the right to stand for valid nomination.

At the swearing-in ceremony for the sixth LegCo of the Hong Kong SAR on October 12, a handful of legislators-elect violated the oath intentionally, publicly voiced support for "Hong Kong independence" and insulted the Chinese nation. Their oaths were declared invalid.

Hong Kong society, the LegCo itself and the SAR government disagreed on whether their oaths were valid and whether a swearing-in ceremony should be rearranged, which had affected the normal operation of the LegCo.

The interpretation was made in response to the situation, taking into consideration that the disagreement concerns the accurate understanding and implementation of relevant provisions of the Basic Law of the Hong Kong SAR, according to Zhang.

Zhang stressed advocacy for "Hong Kong independence" in Hong Kong SAR is prohibited by the Basic Law of the

Hong Kong SAR, which prescribes that the Hong Kong SAR is an inseparable part of the People's Republic of China.

People who advocate for "Hong Kong independence" are disqualified from running as members of LegCo and should have their conduct investigated, Zhang added.

When it comes to curbing and striking advocacy for "Hong Kong independence" according to law and safeguarding the core national interest and fundamental interests of the Hong Kong SAR, the central authorities' attitude is "never blurred"

and it "will not show any mercy", Li said.

The interpretation demonstrates the central authorities' determination in implementing the "one country, two systems" principle, said Chairman Zhang Dejiang at the closing meeting of the bimonthly session.

"(It) embodies the common aspirations of the 1.3 billion Chinese people, including compatriots in Hong Kong, in safeguarding national sovereignty, security and development interests," Chairman Zhang added. (Xinhua) ■

## HK chief executive says SAR gov't to fully implement top legislature's Basic Law interpretation

Hong Kong Chief Executive Leung Chun-ying said on November 7, 2016 that he and the Special Administrative Region (SAR) government support and will fully implement the interpretation passed by the National People's Congress Standing Committee (NPCSC) concerning oath-taking by public officers specified in Article 104 of the Basic Law of the HKSAR.

Accompanied by Chief Secretary for Administration Carrie Lam, Secretary for Justice Rimsky Yuen, and Secretary for Constitutional and Mainland Affairs Raymond Tam, Leung told a press conference that as the chief executive of the SAR, he has the duty to implement the Basic Law in accordance with Article 48 of the Basic Law.

Hong Kong is an inalienable part of China and the Hong Kong people have the duty to uphold national unity, territorial integrity and security, as well as the dignity and interests of the Chinese people, he said.

"I am certain the Hong Kong community will agree that every LegCo member has the duty to uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China and swear allegiance to the Hong Kong Special Administrative Region of the People's Republic of China, and to fully implement the constitutional arrangements and legal requirements under 'one country, two systems'."

Certain elected members of the current-term Legislative Council (LegCo), including Leung Chung-hang and Yau Wai-ching, deliberately violated the oath-taking procedure and content requirements of the oath. They even insulted the country and the Chinese people in their words and deeds in the oath-taking, as well as advocated "Hong Kong independence," he said, noting that their conduct has caused widespread indignation in Hong Kong and across the country.

The SAR government considers that their conduct seriously undermines the rule of law and deals a heavy blow to "one country, two systems," said the official.

On October 18, the SAR government commenced legal proceedings in the court, requesting the court to rule that Leung and Yau have failed to fulfill the legal requirements and should be disqualified as LegCo members in accordance with Article 104 of the Basic Law, the Oaths and Declarations Ordinance, as well as previous court rulings of related cases.

At its meeting in Beijing earlier on November 7, in accordance with the requirements of Article 67(4) of the Constitution and Article 158(1) of the Basic Law, the NPCSC issued its interpretation and clear explanations concerning oath-taking by public officers specified in Article 104 of the Basic Law, including LegCo members, when assuming office, said the chief executive.

It is an important part of the constitutional and legal systems of HKSAR for the NPCSC to exercise its power conferred by the Constitution and the Basic Law to interpret provisions of the Basic Law, he explained.

The interpretation is intended to ensure that public officers specified in Article 104 of the Basic Law, when assuming office and taking oath in accordance with law, must read out the oath as prescribed in the law, including "to uphold the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China and swear allegiance to the Hong Kong Special Administrative Region of the People's Republic of China," in an accurate, complete and solemn manner, said Leung.

The interpretation has clarified that any oath taken in a manner that is not sincere or solemn is considered a "decline" to take an oath, and that the oath taken is rendered invalid. As such, the person taking the oath is regarded as having forthwith lost his or her qualification for the corresponding public office and they therefore cannot assume such public office, nor exercise his or her duties or enjoy the corresponding benefits of the office, he noted.

The interpretation clearly explains the meaning of Article 104 of the Basic Law and the consequences of contravening the provision, he said, adding that it also explains clearly the requirements for oath-taking by specified public officers.

Any words or deeds that deliberately contravene the above requirements, defy the prescribed oath-taking procedure, or even use the opportunity to insult the country and the Chinese people, and advocate secession must be stopped in accordance with the law, the official added.

Leung and Yau, two elected members of the LegCo, deliberately used curse words insulting the Chinese nation and the country when reading out the oath at a swearing-in on October 12. Their oath was not accepted by the LegCo's oath supervisor. (Xinhua)





## Environmental tax introduced for enhanced pollution control

By using a hoist, an employee from a local glass plant in Shahe, Hebei Province commands to install of a dust cleaning equipment above the desulfurizer on November 24, 2016. *Mu Yu*

Lawmakers adopted a new law to tax polluters, particularly heavy industry on December 25, 2016.

The Environment Tax Law was approved at the end of the National People's Congress (NPC) Standing Committee meeting which concluded on the afternoon of December 25.

The law, to enter into force on January 1, 2018, will be key to fighting pollution, according to Wang Jianfan, director of the Ministry of Finance tax policy department.

China has collected a "pollutant discharge fee" since 1979. In 2015, it collected 17.3 billion yuan (about \$2.5 billion) from some 280,000 businesses, Wang said.

However, some local governments exploit loopholes and exempt enterprises which are otherwise big contributors to fiscal revenue. For years, regulators have suggested replacing the fee system with a law.

"The new law will reduce interference from government," Wang told a press conference. It will also improve tax payers' environmental awareness, forcing companies to upgrade technology and shift to cleaner production, Wang said.

Under the new law, companies will pay taxes ranging from 350 yuan to 11,200 yuan per month for noise,

according to their decibel level. It also set rates of 1.2 yuan on stipulated quantities of air pollutants, 1.4 yuan on water pollutants and a range of five to 1,000 yuan for each ton of solid waste.

For instance, polluters will pay 1.2 yuan for emission of 0.95 kilograms of sulfur dioxide and 1.4 yuan for one kilogram of chemical oxygen demand. Carbon dioxide is not included in the levying list.

Provincial-level governments can raise the rates for air and water pollution by up to ten times after approval by the people's congresses. Lower rates may also be applicable if emission is less than national standards.

The law only targets enterprises and public institutions that discharge listed pollutants directly into the environment.

Punishment for evasion or fraud is not specified, but offenders will be held liable in line with the law on administration of taxation and the environmental law.

With more than a year still to go before the law comes into effect, Wang said authorities will make preparations including drafting a regulation for implementation of the law.

He added that revenue will all go to local governments, and will not reduce their capability to spend on environment protection. (Xinhua) ■





Pupils from Tongshun Street Primary School in Hohhot, Inner Mongolia Autonomous Region learn to fill a prescription of traditional Chinese medicine (TCM) at Xinglintang TCM Hospital on October 20, 2015. *Ding Genhou*

## Law on traditional medicine adopted

**T**he Law on Traditional Chinese Medicine (TCM) was approved at the end of a seven-day session of the National People's Congress (NPC) Standing Committee which concluded on the afternoon of December 25, 2016. TCM will play a bigger role in the medical system.

Huang Wei, deputy director of the NPC Standing Committee commission for legislative affairs, said the law, which will go into effect on July 1, 2017, is a significant step in the development of TCM. It is key to reform of medical and health sectors and the drive toward a "Healthy China."

According to the new law, county-level governments and above must set up TCM institutions in public-funded general hospitals and mother and child care centers. Private investment will be encouraged in these institutions.

All TCM practitioners must pass tests. Apprentices and previously unlicensed specialists with considerable medical experience may only begin practice when they have recommendations from at least two qualified practitioners and pass relevant tests.

With a history of more than 2,000 years, TCM is seen by many as a national treasure in China for its unique theories and practices, such as herbal medicine, acupuncture, massage and dietetics.

This is especially the case since Chinese pharmacist Tu Youyou won the 2015 Nobel Prize for her work using artemisinin to treat malaria.

But there is also considerable skepticism of TCM in the

face of Western medicine, particularly over the former's training and funding, and an aversion to using modern clinical tests. Animal-rights activists have also raised questions.

To this end, the new law said China puts TCM and Western medicine on equal footing in China, with better training for TCM professionals, with TCM and Western medicine learn from each other and complementing each other.

The State will support TCM research and development and protect TCM intellectual property.

Special protection will be given to TCM formulas that are considered State secrets, it said.

Use of technology and expansion of TCM in dealing with emergency public health incidents and diseases prevention and control should increase.

The State will protect medical resources including protection and breeding of rare or endangered wildlife, the law said.

The law went on to pledge enhanced supervision of raw TCM materials, banning the use of toxic pesticides.

International exchanges and cooperation on TCM should expand.

According to the World Health Organization, 103 member States have approved the practice of acupuncture and moxibustion, 29 have statutes on traditional medicine, and 18 have included acupuncture and moxibustion in medical insurance provisions.

"The new law on traditional Chinese medicine will improve global TCM influence, and give a boost to China's soft power," Huang said. (Xinhua) ■



# Globalizing traditional Chinese medicine

By Lan Xinzhen

Traditional Chinese medicine (TCM), the only option for people in China to cure diseases and stay healthy before Western medicine spread to the country over 100 years ago, is gaining global popularity. According to a government white paper published in December 2016, TCM has been introduced in 183 countries and regions around the world. A global survey of China's national image conducted by China International Publishing Group's Center for International Communication Studies earlier last year showed that 50 percent of overseas respondents chose TCM as the element that best represents Chinese culture.

Westerners' understanding of TCM, however, may be limited to therapies such as acupuncture, cupping and massage. For instance, the purple, bruise-like marks left on US swimmer Michael Phelps' back from cupping for the purpose of relaxing his muscles and reducing pain became the center of attention during the Rio Olympics in 2016.

As a matter of fact, Chinese herbs play a more important role in eradicating diseases and keeping the body in good condition in the TCM treatment system than physical therapies. It is therefore disheartening to know that while 103 World Health Organization member countries have given approval to the practice of acupuncture, not many recognize Chinese herbal medicine. TCM lags far behind Western medicine owing partly to the lackluster development of Chinese herbs.

Herbs are made into pills, powder, paste and soup, and the kind of herbs used, their quality and quantity, and the processing of the ingredients jointly determine the efficacy of the prescription. Compared with Western medicine, which has standardized drug production processes and treatment methods, TCM lacks standardization, with the chemical composition and functioning mechanisms of its medicines being unclear and their effects being unstable. Standardization has improved in recent decades, with an increasing number of factories producing patented TCM drugs. However, a lot more needs to be done to document the chemical formulas of TCM's medicinal recipes.

Another factor that has hindered the development of TCM prescription drugs is the lack of innovation. While Western pharmaceutical companies come up with new products every year, TCM drug producers tend to manufacture medicines according to prescriptions

handed down from the past. Chinese pharmacist Tu Youyou's winning the 2015 Nobel Prize in Physiology or Medicine for her research into malaria treatment may drive innovation to some extent in China's TCM industry. Nonetheless, the current state of affairs cannot be changed within a short timeframe.

The way forward may be to apply modern science to TCM research and to establish internationally recognized standards for herbal drugs developed and produced in China. China's TCM industry has huge potential for growth. According to the white paper, the industry's output value increased by 20 percent year on year from 2010 to 2015, reaching 786.6 billion yuan (\$113.3 billion) in 2015, which accounted for 28.55 percent of the output value of the domestic pharmaceutical industry. The white paper says that the TCM pharmaceutical industry has become an industry "of strategic importance to national economic and social development."

A modern TCM system consisting of both drug production and medical services has been established. According to the white paper, by the end of 2015, China had 3,966 specialized TCM hospitals and 452,000 practitioners. Some 910 million visits were made to TCM medical institutions in China in 2015. These figures show that TCM has strong foundations and strengths to achieve further development.

The Chinese Government is also highly supportive of TCM. In 2015, it issued the TCM Drug Protection and Development Plan (2015-20), which laid out comprehensive arrangements for the protection of medicinal materials and the production of drugs. In 2016, the State Council published the Strategic Plan for TCM Development (2016-30), which elevated TCM development to a national strategy. The plan also includes arrangements for TCM standardization. Toward the end of 2016, China's top legislature passed the country's first TCM law to ensure development of the time-honored medical practice. The law will take effect on July 1, 2017.

TCM and Western medicine are not contradictory. Most general hospitals in China integrate TCM and Western medical services and provide both TCM and Western drugs. As China devotes greater efforts to TCM research and the promotion of relevant international standards, this ancient medical practice will receive more recognition globally and bring more benefits to the whole of humanity. (Beijing Review)



Agricultural technicians and herb farmers visit a TCM greenhouse in Wuyi County, Zhejiang Province on May 12, 2016. The county takes the lead in the planting of greenhouse herbals in the province. *Zhang Jiancheng*



Spectators receive on-the-spot TCM treatment during the 9th Global Conference of Health Promotion in Shanghai on November 21-24, 2016. *CFP*



A joint inquiry meeting of the 25th session of the 12th NPC Standing Committee is held in Beijing on December 24, 2016. Sheng Jiapeng

# Special inquiry to ensure safety

A joint meeting of the 25th session of the 12th Standing Committee of China's National People's Congress (NPC) was held in Beijing on December 23, 2016, to address inquiries while deliberating on reports made by the inspection group of the Standing Committee on the implementation of Work Safety Law and Road Traffic Safety Law.

Work safety and road traffic safety is of great social importance due to direct impact on people's lives and property as well as on social and economic stability. Questions raised by the seven members of the inspection group at the meeting were not only down-to-earth but also taken seriously by heads of related departments of the State Council.





## How to step up safety law enforcement?

China currently faces grave situation of work safety. A series of major and catastrophic accidents took place since October 2016, causing tremendous damages to people's lives and property.

"What measures will be taken by the State Council and its competent departments to ensure work safety and to step up enforcement of relevant laws?" asked Ouyang Song.

State Councilor Wang Yong answered that six tasks were given priority. First, accelerate standard and regulation establishment, facilitating implementation of Work Safety Law. We planned to cooperate with NPC to revise Road Traffic Safety Law and Mine Safety Law, issue Regulations on the Implementation of Work Safety Law and Regulations on Contingency Measures for Work Safety Accidents, study and draw up a law on hazardous chemicals, and step up standard establishment to ensure implementation of existing laws and regulations. Second, optimize safety system and emphasize accountability. All entities including government, competent authorities and companies should take respective responsibilities. Third, take creative methods to strengthen safety supervision. We should tighten inspection and performance evaluation of governments at all levels, increase both rewards and penalties, supply more incentive to improve company credibility, and enhance public supervision. Fourth, carry out special programs to address prominent safety problems in certain sectors. Nation-wide safety inspections should be conducted, targeting problems exposed by recent major accidents. Fifth, improve effect and efficiency of law enforcement. More efforts should be made to enhance personnel training, check on major enforcement programs, carry out duties of subjects, and take strict counter-measures through judicial channels. Sixth, establish long-term work safety mechanism, including safety risk classification, technological transformation of high-risk sectors, and emphasis on market's role.

A cross-region joint drill was held to deal with petrochemical disasters in Taihe Port Economic Development Zone, Suzhou, Jiangsu Province on August 18, 2016. CFP



A miner from Datong Coal Mine Group works to mine for coal in Shanxi Province on May 18, 2015. The province is rich in coal mine resources. Yan Yan

## Why were catastrophic coal mine accidents on the rise?

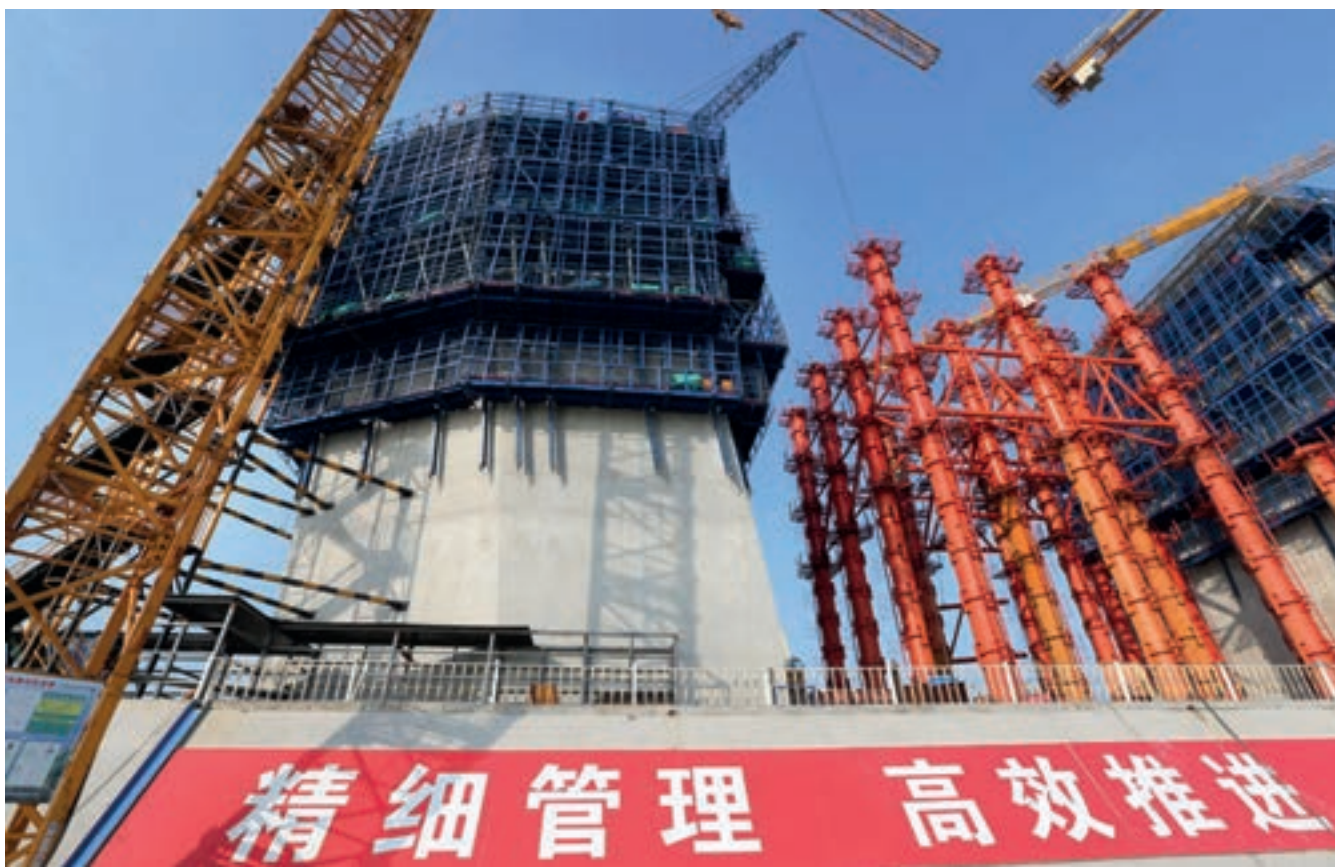
There have been more coal mine accidents in 2016. Especially, in late 2016, consecutive mining accidents took place in Chongqing, Heilongjiang and Inner Mongolia, arousing huge public concern.

"Security issue of coal mines is becoming more conspicuous than ever before," said Member Wu Ritu who asked about reasons why regulations on work safety had not been implemented in certain places especially where there still existed coal mines of outdated production capacity.

Yang Huanning, minister of State Administration of Work Safety, answered that although the total number of accidents is decreasing, catastrophic accidents were on the rise. What was worse, three major catastrophic accidents took place successively from October 31 to December 3 in 2016.

According to Yang, reasons are as follows: first, coal price rose sharply since July 2016. Second, coal mines in our country are commonly gas-rich and coal companies did not make enough investment in equipment updating. Third, liable companies failed to fulfill their obligations because of slack management and neglect of rules.

Yang said that faced with current situation of work safety, several measures should be taken. First, all personnel with the administration of work safety and administration of coal mine safety, except emergency staff and those on duty, should participate in front-line inspection, keeping an eye on each of the 7,000 coal mines. Second, 30 undercover groups of people from the State Administration of Work Safety and the State Administration of Coal Mine Safety are conducting constant inspections on key units below city and county levels. Third, notice of work safety is sent to all coal mine owners through Internet and cellphone in order to raise their awareness and remind them of their liability. Fourth, raise public awareness by exposing coal mines of danger.



The picture taken on December 30, 2016 shows the construction site of Hutong Yangtze River Bridge in Nantong, Jiangsu Province. CFP

## Who should supervise the safety of rural housing construction and agricultural machinery?

Recent years have witnessed remarkable increase of farmers' income, extensive use of agricultural machinery, larger scale of rural housing construction. However, accidents took place from time to time during agricultural production.

Member Zhang Xingkai asked, "Who should supervise the safety of rural housing construction and agricultural machinery? How to supervise? What measures should be in place?"

Chen Zhenggao, minister of Housing and Urban-Rural Development, answered that there were multiple reasons for frequent accidents, among which was transition from one-storey rural housing to multi-storey modern housing projects in our country. More than 40 percent newly built rural housing projects were multi-storey buildings now, demanding urgent solution of concomitant problems.

"We are going to take three measures. First, quality of rural housing construction should be inspected. Second, there should be more training of traditional rural housing constructors. Third, quality control of multi-storey rural buildings should be strengthened," said Chen.

Chen Xiaohua, vice minister of Agriculture, answered, "There are more than 23 million tractors and 1.7 million combine harvesters all over the country. Accidents caused

by agricultural machinery take place from time to time due to backward equipment and technology, poor rural road conditions, and negligence of farmers. As of now, 200-300 casualties have been caused during agricultural production and nearly 1,000 casualties have resulted from rural traffic accidents each year."

"First, we have tightened licensing management. According to current rules, tractors and combine harvesters are required to get registered and go through annual examination. Second, inspections have been conducted in 509 major counties with large numbers of agricultural machinery. Third, quality of agricultural machinery has been improved by means of extensive tests and purchase subsidy," said Chen Xiaohua.

Miao Wei, minister of Industry and Information Technology, said that his ministry, together with the Ministry of Agriculture and National Development and Reform Commission, formulated the Action Plan on Development of Agricultural Machinery (2016-25) which provides specific requirement on safety, in a bid to improve agricultural machinery technology as well as safety level.

## Why are supporting policies and standards still not in place?

It is shown in the report that Article 24, 35, and 113 of



Work Safety Law prescribe that the State Council and its competent departments should formulate supporting regulations, which are still not implemented. Moreover, Article 10 requires the State Council and its competent departments to establish national standards and make revisions in the light of economic and technological development, which also falls behind schedule.

“Work Safety Law was revised two years ago. Why neither regulations on implementation nor supporting policies are enacted? What caused such delay? Is there any plan or timetable?” asked by Member Yao Sheng.

Yang Huanning answered that with regards to supporting laws and regulations of the Work Safety Law made in 2002, there were 3 comprehensive laws, 16 special laws, 26 regulations, and over 90 rules. Nevertheless, regulations on the implementation of Work Safety Law were still not in place because of institutional changes, emergence of new sectors, lack of consensus between different stakeholders, and incompetence of related parties.

Yang said, “numerous standards have been established in recent years, yet cannot meet current demand mainly because of conflict between standards of the country, sectors, companies, and local governments.” To speed up standards establishment and revision, Guidelines of the CPC Central Committee and the State Council on Reform and Development of Work Safety was released on December 9, 2016, according to which the State Administration of Work Safety is responsible for making plans on standards establishment and revision while competent departments is obliged to formulate standards according to the plan. Yang Huanning said that formulation of relevant standards were sure to be accelerated following release of the Guidelines.

Zhi Shuping, director of the State Administration of Quality Inspection, answered, “We are going to speed up revision of relevant standards. First, to make a five-year plan on development of work safety standards system. Second, to improve and optimize procedures of standards establishment. Third, to enact national standards in pressing need. Fourth, to push forward publicity and implementation of major standards on work safety.”

## How to deal with illegal truck modification, overload, and over-speed?

Member He Yehui asked about road traffic safety, “it is learned that a great number of illegally modified trucks are on road, overloading and over-speeding, and highways, bridges, other vehicles and pedestrians are in potential danger. In the mean time, nonstandard agricultural vehicles in some regions engaged in freight transport are also liable for overload and over-speed. Why is it so difficult to stop such irregularities? What measures have been taken by competent authorities of the State Council to address these issues from root? In particular, how to supervise and handle companies that illegally produce modified vehicles?”

Li Xiaopeng, minister of Transport, answered that since June 2004, the Ministry of Transport, together with seven ministries including the Ministry of Public Security, conducted nation-wide program curbing overload and over-speed, which achieved positive results. However, due to defective

laws and regulations, low cost of violation, lack of credibility and law-abiding awareness, imperfect social credit system, etc., illegal modification, overload, and over-speed of trucks are difficult to eliminate.

“We will exert more efforts in the future,” said Li, “such as step up supervision and inspection, facilitate channels of complaint to improve public oversight while strictly handle exposed problems, stick to special rectification programs, further improve information system, and establish credit system.” “We also proposed that severe overload and illegal transport should be defined as a crime of dangerous driving so as to be prosecuted for criminal liabilities, thus increasing cost of violation and ensuring road traffic safety.”

Li Wei, vice minister of Public Security, answered that illegal modification was rooted from slack supervision which we began to take care of years ago and made preliminary achievements. Besides, five departments of the State Council issued a document unifying standards of punishment. Recently, public security and transport authorities have been on joint inspection and law enforcement in a bid to solve the problem properly.

## How to prohibit electric bicycles from speeding, running the red light, and riding against traffic?

Thriving of e-bikes brings new problems as well as convenience to the public.

“E-bikes, mobility scooters, and e-moped on road are speeding, riding against traffic, running the red light, and riding through pedestrian crossing, attributing to frequent accidents,” said Member Lang Sheng. “What supervisory measures have been taken by competent departments of the State Council to regulate production and sale of e-bikes? What are to be done in the future to bring e-bikes under control? What steps will the department of road traffic take to address traffic violations of e-bikes and maintain road traffic safety?”

Miao Wei answered that traffic violations of e-bikes were one of the main causes of traffic accidents, a threat to people’s lives and property. For a long period of time, different parties held diverse opinions towards e-bikes, because of which, it is hard to take effective counter-measures. In the premise of unified standards, we should give local governments certain discretionary power based on regional disparities in terms of road rights and traffic time intervals. As for existing e-bikes on road, we should arrange a transitional period, say 3 to 5 years, to get rid of them by means such as redemption.

Zhang Mao, minister of the State Administration for Industry and Commerce, answered that 80 percent of existing e-bikes fell short of national quality standards. “Our ministry, together with other related departments, issued the Notice on Management of Electronic Bicycles which reinforced oversight and control of e-bike sale. We will also cooperate with competent authorities to enact relevant laws and regulations at an early date.”

“Since e-bikes are truly helpful to some people, it may arouse conflict between people and police if not handled properly,” said Li Wei. He suggested that explicit require-



A traffic policeman introduces road safety knowhow to students from Nanjie Primary School in Wanrong County, Shanxi Province on March 16, 2016. Li Hongxiao

ments be made and public participation in traffic management be encouraged.

## How to cure 'urban diseases' such as traffic congestion and parking difficulty?

Currently, an increasing number of large-and medium-sized cities suffer from "urban diseases" such as traffic congestion and parking difficulty, generating huge public concern. Member Li Lu asked what counter-measures have been and would be taken by relevant authorities.

Chen Zhenggao said that traffic congestion not only at-



The picture taken on May 22, 2016 shows the importance of wearing a helmet in safeguarding the safety of electric vehicles' drivers. CFP

tributed to city inefficiency but also made a negative impact on social and economic development, thus criticized greatly by the public. More than one factors lead to congestion, for example, insufficient road network density and area ratio, unreasonable road layout, underdeveloped public transportation, chaotic traffic order, on-road parking, etc.

Chen said, CPC Central Committee and the State Council attach great importance to urban congestion and set specific goals to address the issue at the Meeting of Urban Work in 2015. Our main objectives are as follows: first, optimize road network whose density should be increased to 8 km per sq.km with road area ratio reaching 15 percent by 2020. Second, public transportation should account for 40 percent, 30 percent, and 20 percent of the total transportation respectively in mega-cities, large cities, and small and medium-sized cities by 2020. Third, prohibit on-road parking. Fourth, maintain traffic order and enhance traffic efficiency. Fifth, build more inter-connected one-way roads.

In regard to parking difficulty, Chen noted that the Ministry of Housing and Urban-rural Development released a guidance emphasizing following tasks: carry out structural reform of supply front to strike a balance between demand and supply of parking; attract social investment to build parking lot by opening up market; make better use of underground space; prohibit parking violations; step up legislation on construction and management of parking lot.

"We encourage local governments to deal with 'urban diseases' by all means," said Li Wei. First, law enforcement should be reinforced. Competent authorities need to take responsibilities of addressing parking violations and issues caused by e-bikes. Second, there is still room for scientific management and work efficiency. Third, it is important to raise public awareness of traffic safety so as to win public support and understanding in curing "urban diseases". (NPC) ■



# National legislators' proposals all addressed

**P**roposals raised by deputies to the National People's Congress (NPC) at the annual parliamentary session in March 2016 have all been handled, said the NPC Standing Committee on December 21, 2016.

According to a report from the NPC Standing Committee General Office, deputies raised 8,609 proposals at the March session. All of them have been handled.

Of the proposals, 5,496 needed cooperation among multiple departments, accounting for 63.8 percent of the total, the report said.

The proposals raised by the deputies were about a wide range of issues, including supply-side structural reform, poverty alleviation, environmental protection and regulation of Internet finance. (Xinhua) ■

8,609 proposals raised by NPC deputies were handled, including 20 major suggestions



Top 5 ministries in handling proposals

1	Ministry of Finance	2,845
2	National Development and Reform Commission	2,202
3	Ministry of Education	1,009
4	Ministry of Human Resources and Social Security	941
5	National Health and Family Planning Commission	823

Three characters of the suggestions raised by NPC deputies in 2016

- ◆ Compared with the year of 2015, the number of proposals raised by NPC deputies increased 370
- ◆ Proposals focus on the implementation of the 13th Five-Year Plan, poverty alleviation, supply-side structural reform, resource and ecological protection and human welfare
- ◆ The number of suggestions increased that need cross-department cooperation



NPC Tibetan delegation meet with parliament delegation from Myanmar on November 7, 2016. *U Aung*

## NPC Tibetan delegation visit Mongolia, Sri Lanka and Myanmar

**T**he Tibetan delegation of the Chinese National People's Congress (NPC), headed by Penba Tashi, deputy to the People's Congress of Tibet Autonomous Region and vice chairman of the Government of the Tibet Autonomous Region, visited Mongolia, Sri Lanka and Myanmar, respectively, from October 30 to November 8, 2016.

### Mongolia adheres to the consistent stance of supporting China

Miyegombo Enkhbold, chairman of the State Great Hural, Mongolia's parliament, met with NPC Tibetan delegation on October 31.

Enkhbold, also chairman of the Mongolian People's Party (MPP), said during the meeting that Mongolia always adheres to the consistent stand of supporting China in issues concerning Tibet.

The relations between Mongolia and China are in a favorable momentum, and bilateral cooperation has kept deepening in all fields, including politics, economy and culture, said Enkhbold.

Exchanges of legislatures are an important part of relations between the two countries, and have made positive

**The relations between Mongolia and China are in a favorable momentum, and bilateral cooperation has kept deepening in all fields, including politics, economy and culture.**



Penba Tashi, head of NPC Tibetan delegation meets with Deputy Speaker of Myanmar's House of Nationalities U Aye Tha Aung on November 7, 2016. *U Aung*





Mongolian national leader meets with NPC Tibetan delegation in Ulanbatar on October 31, 2016. *Si Qin*



NPC Tibetan delegation meet with Sri Lankan parliament leader on November 2, 2016. *Yang Meiju*

contributions to the development of bilateral ties, he added.

During the meeting, Penba Tashi introduced to the Mongolian side major achievements made in the socioeconomic development of Tibet.

The delegation started the visit to Mongolia on October 30. The delegation has also met with Mongolian parliament members from the Mongolia-China friendship group in the State Great Hural and representatives from the local academic and religious communities.

### Sri Lanka to firmly pursue One-China policy

Sri Lanka will continue its support for One-China policy and push forward greater development of relations with China, a parliament leader and government officials have said.

Sri Lanka appreciates the great achievements Tibet has made in various fields, Thilanga Sumathipala, deputy speaker of Sri Lanka's parliament, said as he met with NPC Tibetan delegation on November 2.

He also said Sri Lanka would further deepen exchanges in economy, trade, culture and other fields with China.

The Chinese delegation also met with Wijayadasa Rajapaksha, minister of Buddha Sasana, famous Buddhist figures of Sri Lanka, Sri Lanka's Parliamentary Friendship Group and a number of Sri Lankan and Chinese friendly groups.

Penba Tashi briefed the hosts on the achievements in Tibet in the areas of political democracy, economic development, social undertakings, ecological protection and freedom of religious belief since the peaceful liberation of Tibet.

He stressed that without the wise leadership of the Chinese Communist Party, the people of Tibet would not have had their happy life now and an even brighter future.

During the visit, Penba Tashi also on several occasions advocated the system of the NPC, the national legislature of

China, clarified China's principled stance on Tibet-related issues and expressed hope that Sri Lanka would, as always, support China's principled stance on Tibet-related issues.

### Myanmar values the 'fraternal' friendship

NPC Tibetan delegation concluded its visit to Myanmar on November 8.

During the visit, the delegation met with Deputy Speaker of Myanmar's House of Nationalities U Aye Tha Aung, as well as a number of other Myanmar officials.

Penba Tashi said Tibet is enjoying good and rapid economic development, with people's livelihood improving, the ecology system being well maintained, and ethnic unity and harmony prevailing.

He said Tibetan people enjoy freedom of religious belief, and live and work in contentment in a peaceful and harmonious society.

All these achievements, he said, should be attributed to the wise leadership of the Chinese Communist Party as well as the care given by the central government.

Penba Tashi praised Myanmar's long-time adherence to the one-China policy, and hoped Myanmar would continue to support China's principled stance in issues concerning China's core interests such as Tibet-related issues.

Myanmar officials, including U Aye Tha Aung, expressed admiration for the development achieved by Tibet Autonomous Region, saying that Myanmar values the "paukphaw" (fraternal) friendship between Chinese and Myanmar people, and will continue to abide by the one-China policy.

They said Myanmar is willing to further enhance the traditional friendship with China, strengthen trade and economy communications and people-to-people exchanges, and deepen legislative and regional communications, to benefit people from both countries. (Xinhua) ■

# Enterprises going overseas crucial to the success of Belt and Road Initiative

By Gu Shengzu







The first Xi'an-Moscow cargo train is ready to depart Xi'an, capital of Shaanxi Province on December 6, 2016. Tang Zhenjiang

It was stressed in China's annual economic work conference at the end of 2016 that China will carry forward with the Belt and Road Initiative (hereinafter referred to as the B&R Initiative) and further promote its opening-up. The B&R Initiative is a new platform for international cooperation and an upgraded version of opening-up drive to the outside world. Since the B&R Initiative was proposed in 2013, more than 100 countries and international organizations have taken part in this great endeavor. Under this framework, China has signed cooperative agreements with more than 30 countries, conducted production capacity cooperation with more than 20 countries, set up RMB clearing banks in 7 countries, and thus initially established the financial supporting system represented by Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund. Exchanges of talent are getting much closer, and a connectivity network gradually comes into being, which has not only strongly promoted the sustainable economic and social development in China, but also provided good opportunities for global economic cooperation and brought tangible benefits to all countries and people along the route.

As the B&R Initiative moves forward, Chinese enterprises are speeding up their paces to go overseas. Implementation of the B&R Initiative calls for a proper combination of scientific top-level design and grassroots innovation. The enterprises, as principal subjects of innovation, serve as the backbone in implementing the B&R Initiative. Therefore, we should take advantage of the B&R Initiative to encourage Chinese enterprises to expand their business abroad, help them obtain broader space for development, and achieve parallel advancement in both the B&R Initiative and the overseas development of Chinese enterprises.

In order to further study the implementation of the B&R Initiative, in August 2016, we organized a study tour to Pakistan, Saudi Arabia and Indonesia where we paid inspections on their urban infrastructure facilities and investment environment, conducted research on the achievements and problems of Chinese enterprises in overseas investment and realizing corporate strategy transition, learned of the latest development of foreign enterprises in the industrial chain of international cooperation, called on relevant Chinese embassies and general consulates in the three countries, and held extensive exchanges and dialogues with representatives from business community, financial sector, academia and government agencies. Besides, we also had round-table discussions in China with a group of central enterprises and financial institutions that actively participate in the B&R Initiative abroad.

### Status quo and effect

An all-around opening-up driven by the Silk Road Economic Belt and the 21st Century Maritime Silk Road has brought new opportunities for Chinese enterprises to go overseas. China has strong competitive advantages in infrastructure construction capabilities and costs. Meanwhile, some other countries boast comparative advantages in natural resources and energy. The B&R Initiative is thus helpful to introduce China's experience in infrastructure construction, promote co-construction and sharing of infrastructure facilities, strengthen international cooperation on production capacities, and it



The picture taken on December 11, 2015 shows the 138 units of heavy trucks produced in Wuhu, Anhui Province, which will be exported to Vietnam.  
Cheng Yibao

is therefore called the regional version of inclusive development and upgraded version of economic globalization. Since it was enforced, the B&R Initiative has scored tremendous achievements with exchanges in policies, infrastructure, trade, capital and public opinions making breakthrough development, a group of cooperative agreements signed and a series of cooperation mechanisms established, key projects of high-speed rail and nuclear power launched in succession, foreign trade and investment volume growing continuously, financial cooperation constantly enhanced, and cultural and tourism sectors effectively expanded.

The steady progress of the B&R Initiative has blazed new space for outbound investment and trade of Chinese enterprises. With implementation of the B&R Initiative as well as acceleration of international capacity cooperation, the overseas development of Chinese enterprises is now ushered in a new era. It is worth noting that in recent years, with the lowering rate of investment return and shrinking investment space within China, there has been a rising enthusiasm for private enterprises to go overseas. In 2014, the outbound investment by Chinese private enterprises achieved explosive growth with contract volume increasing by 295 percent in comparable terms and number of cases accounting for 69 percent of annual total. The fields of investment also displayed a diversified momentum. As the B&R Initiative moves forward, the enterprises have gradually changed their original pattern characterized by product and labor export into capital export, entered key sectors of infrastructure and production capacity cooperation, optimized division of labor and layout of industrial chains, and upgraded regional industrial supporting capacities as well as

comprehensive competitiveness.

Concurrently, implementation of the B&R Initiative also accelerated RMB internationalization. China has already signed bilateral currency swap agreements with 21 countries and regions along the route, handed out RMB quotas to institutional investors in 7 countries, and set up RMB clearing banks in 8 countries. With all these efforts, RMB trade settlement in 2015 has accounted for 25 percent of China's total trade volume.

## Challenges and risks

As a long-term, complicated and systematic project, the B&R Initiative is faced with unique geographical environment. While the enterprises go overseas, they are now facing more complex challenges and risks.

First, some countries along the route have suspicions and misunderstanding over the strategic dimensions of the B&R Initiative, and cannot reach consensus and engage in close cooperation. Since the B&R Initiative was proposed, there have always been deviations of understanding by some countries. Due to the lack of strong media guidance and huge differences in national conditions and cultural traditions, mutual trust is yet to be enhanced among the countries along the route.

Second, the complex investment environment, imbalanced development of infrastructure facilities and incompatible policies in some countries make it more difficult for the enterprises to operate overseas and expand cooperation on production capacity. In terms of hardware, some countries are very poor at infrastructure constructions, and their transpor-





Employees assemble refrigerators at a workshop in Lahore, Pakistan on June 24, 2016. The plant was co-established by China's Haier Group and its Pakistani partner. *Xinhua*

## Uncertain and differentiated policy environment adds to the difficulties for the enterprises to invest and operate overseas.

tation, oil pipelines and telecommunication facilities remain far from effectively connected, which has severely circumscribed the process of cooperation on production capacity. In terms of software, laws, regulations, taxation policies and procedures in those countries differ substantially from each other. Therefore, while expanding their international market, our enterprises are faced with challenges like incompatible policies and poor trade channels. Some laws and regulations are no longer applicable after they move to another country, and it is extremely difficult for them to negotiate with local governments on their own. Due to the lack of a unified production standard, they cannot efficiently promote their commodities and services overseas. In short, uncertain and differentiated policy environment adds to the difficulties for the enterprises to invest and operate overseas.

Third, overseas corporate management method of Chinese enterprises falls ill-adapted to the needs of globalization. Disorderly and excessive competition stays ubiquitous, financial supporting system remains imperfect, financing problems is still prominent, and diversification of investment needs to be strengthened. State-owned enterprises (SOEs), particularly central firms, play the leading role in the B&R Initiative. However, the management styles of

SOEs cannot meet the demands of international market as their inflexible salary mechanism which places a ceiling on total remuneration may discourage these enterprises to operate in countries with harsh environment. Negotiation on a specific overseas project, if participated only by SOEs, will be considered as the State will and is liable to cause suspicions of the other side. Private enterprises, as the main subjects of market economy, can serve to eliminate the suspicion by expanding their overseas business, which is vital to the success of the B&R Initiative. However, the private enterprises have to improve their capabilities. Owing to the lack of overall planning and coordination, the enterprises tend to rush to the same hot spots and industries which will easily cause problems like repeated and redundant investment. As most of the credit resources of AIIB, the Silk Road Fund and policy-based financial institutions flows to large SOEs, commercial banks have few overseas branches, coverage of RMB clearing banks and currency swap remains incomplete, international financial system stays volatile, private enterprises are still faced with a series of restrictions such as poor financing channels, high financing cost and impediment of cross-border capital flow, etc.

Fourth, due to the lack of inter-disciplinary talents with international vision, Chinese enterprises still need to improve their abilities of decision-making and management in the overseas market. Talents hold the key to the success of the B&R Initiative. While going overseas, the enterprises are in bad need of inter-disciplinary talents with professional expertise and overseas working experience. Only those who fully understand the laws, policies and cultural traditions of



Spectators visit the exhibition booth of Beijing Financial Street when attending the China Beijing International Fair for Trade in Services on May 28, 2016. CFP

## Lack of understanding on local market environment will inevitably lead to misjudgment and failure in their investment.

the host nations can help the enterprises adapt to the local market environment. At present, shortage of such talents poses huge challenges on Chinese enterprises who want to go overseas. Lack of understanding on local market environment will inevitably lead to misjudgment and failure in their investment. To tackle this bottleneck problem, we should not only enhance talent cultivation but also make full use of overseas talents resources. On the one hand, talents cultivated in our domestic education system cannot fully adapt to overseas market environment. On the other hand, the enterprises are not well equipped with strong intellectual support as many high-quality talents choose to study and settle down in Western countries.

Fifth, as intermediary service system remains incomplete, Chinese enterprises cannot obtain effective services like consulting and investment guidance, which impedes overseas business negotiations and trade cooperation. Currently, intermediary service targeting the B&R Initiative grows very slowly, functions of intermediary institutions such as accounting firms and law firms with international influence, intermediate organizations like chamber of commerce, embassies and general consulates need to be strengthened, and professional consulting and legal assistance institutions with international perspective need to be established as soon as possible. Due to the lack of information sharing platform and intermediary services like risk assessment and consulting, there exist large amount of problems like information dispersion, delay and disconnection. Meanwhile, assistance and support from the government, embassies and general consulates is still insufficient, which will weaken the enterprises' confidence and enthusiasm to go overseas.

Sixth, some countries along the route are affected by political unrest, weak economic foundation as well as increasing economic and religious risks. Life and property security of Chinese enterprises and their employees is under severe threat. Risk assessment, prevention and control system is yet to be established. The B&R Initiative has both opportunities and challenges, and the enterprises are faced with a variety

of risks including political disability, weak economic foundation, terrorism, religious conflicts and natural disasters, etc.

## Strategic thinking and recommendations

As enterprises are the major market subjects to implement the B&R Initiative, it is essential to expand foreign investment and encourage them to go overseas so as to ensure the success of the B&R Initiative. Efforts should be made to promote strategy connectivity, enhance top-level design, set up joint economic cooperation zones, provide financial support and implement talents strategy, strengthen the role of intermediary institutions and organizations in a bid to build an integrated service system for the enterprises to go overseas and ultimately consolidate a green, healthy, intellectual and peaceful Silk Road.

First, we should reinforce strategic consensus among the countries along the route, promote connectivity between the B&R Initiative and development strategies of other countries, encourage deep market integration, establish a real community of shared interests, tell the Belt and Road stories well and achieve win-win cooperation. Strategy connectivity is crucial to dispel suspicions and reach consensus. We ought to pay close attention to the demands and strategic development of other countries, coordinate the development needs between China and other stakeholders, explore the converging point of the B&R Initiative and strategic plans of other partners, take advantage of diplomatic negotiations to promote strategy connectivity, make other participants understand our intentions and make concerted efforts in an attempt to create a new pattern of regional development featuring coordinated planning, production and development. It is imperative to combine our capital and technology with rich resources of other stakeholders to form the community of share interests characterized by mutual benefit and common prosperity. We should try to promote trade and investment facilitation as well as encourage deep market integration and free flow of production factors by establishing custom clearance system and realizing the effective connection of port operation, international clearance, reloading and multimodal transport. We should also properly publicize successful stories, make timely responses to false media report, strengthen communications and cultural exchanges in order to further build common value identity among the countries along the route featuring unity, trust, equality, mutual benefit, inclusiveness, mutual learning and win-win cooperation.

Second, we should strengthen top-level design and overall planning, optimize coordination mechanism, set up a specialized overseas development agency, ensure implementation of key projects, provide guidance for the enterprises to go overseas, and build up a comprehensive overseas business network. The B&R Initiative is a project-oriented strategy targeting at mutually beneficial cooperation network, new cooperation model and multi-cooperation platform. Instead of staying at superficial, principle and theoretical level, it requires scientific and proper strategic planning, sound top-level design, comprehensive guidance mechanism so as to encourage the enterprises to conduct overseas investment in an orderly fashion. We should not only formulate the positive list, provide guidance for the enterprises to go overseas and encourage them to participate in international coopera-



tion, but also propose the negative list and make clear what they cannot do. It is imperative to select certain regions with good geographical locations, sound investment environment and strong economic radiation abilities and build them into strategic fulcrum of the B&R Initiative. Based on this, experimental projects, engineering construction and bilateral trade shall be conducted, key industrial projects should be solidly implemented to support the overall strategy, and finally we will build up the Belt and Road network with coordinated development of strategic fulcrum, key projects and international trade.

Third, we should build bilateral economic cooperative zones, beef up constructions of both hardware and software regarding infrastructure facilities and production capacity cooperation, encourage the enterprises to engage in joint development, build up international industrial chains and create highly efficient and convenient sub-environment of clustered development. Economic cooperative zones, as the undertakers of foreign investment cooperation, important platforms for industrial clustering and vivid reflection of production capacity cooperation, are helpful to eliminate trade and investment barriers, reduce costs and managerial risks, and create a free, equal and mutually beneficial sub-environment. Therefore, we should actively build bilateral economic cooperative zones and development zones, follow the international rules, strengthen consultations on relevant policies and infrastructure construction so as to create favorable conditions and provide support for the construction of overseas economic cooperative zones. By taking advantage of the cooperative platform, we should first place top priority on

promoting the link between infrastructure construction and production capacity cooperation, build up five paths including oil pipelines, roads, aviation, waterways and internet, encourage our high-speed rail and nuclear power industry to go overseas, meet the needs of other countries to supply public products, promote infrastructure construction, boost multi-sector investment in cooperative zones, accelerate the process of regional integration and industrialization, and explore overseas investment market for the enterprises. We should take advantage of the scale and cluster effect of the cooperative zones, encourage the enterprises to join hands with each other and conduct clustered production capacity cooperation, attract more enterprises to invest in the zones through tax incentives, credit support and streamlined red tape, and make joint efforts to explore overseas market. We should also build up the industrial cooperative belt and international cooperation industrial chain, promote industrial upgrading in the cooperative zones, improve the supply, industrial and value chain in international cooperation, and make bilateral economic cooperative zones into the radiation source of talents, logistics, capital and information.

Fourth, we should promote diversification of investment subjects, make SOEs and private enterprises supplement each other and engage in joint development, establish the database of enterprises that take part in the B&R Initiative and production capacity cooperation, improve assorted financial support system, encourage private enterprises to improve their performances through international competition. SOEs and private enterprises have different characteristics in overseas investment. SOEs, as the leaders of Chinese enterprises,



Customers buy saffron at the stall of Iran when attending the 12th China (Shenzhen) International Cultural Industry Fair on May 15, 2016. *Mao Siqian*

should mobilize small and medium private enterprises to go overseas in a more efficient manner, alleviate their capital bottleneck, give full play to the guiding role of government public investment and SOE investment on private capital, and encourage private capital to take part in overseas expansion. We should also improve the financial support system, innovate credit mechanism that is led by the government, followed by financial institutions and participated by private capital under the framework of the Silk Road Fund and AIIB, provide specialized assistance fund, and encourage the banks to expand their overseas business. The enterprises, while going overseas, need to increase their capabilities, improve the quality of products and services, set reasonable prices according to the market rules, establish brand strategy, attach more importance to the well-being and development of their local employees, and build up good brand reputation and images in the international market.

Fifth, we should implement talents development strategy, make full use of both domestic and local talents, break the talents bottleneck in the enterprises' overseas development, set up the talents exchange platform and internationalized talents repository, and try to build an intellectual Silk Road. To break the bottleneck and make the enterprises better adapt to the overseas market, we have to select talented professionals according to the needs of specific projects and industries. In particular, we should effectively break the fences between public and private sectors, as well as public research instructions, private think tanks and market organizations,

## There are more than 230 Chinese embassies and general consulates stationed abroad.

and build up an efficient talent selection mechanism. The talents strategy should not only encourage domestic talents to go out, but also take advantage of local talents in other countries. On the one hand, we should make use of all categories of education resources to enlarge domestic talents reserve, provide more opportunities for Chinese students to study and work overseas, and cultivate inter-disciplinary talents with international vision that are proficient at foreign languages, well informed of local economic and social environment, customs and traditions, and well versed in professional expertise on law and finance. On the other hand, we should actively explore local talents that cater to the needs of Chinese enterprises, build up a localized talent supply chain and management system, take advantage of *guanxi* network of overseas Chinese to attract more talented Chinese students abroad to work for our enterprises.

Sixth, we should develop internationalized and market-oriented intermediary institutions and organizations, bring into full play the important role of organizations like chamber of commerce, encourage them to strengthen cooperation with overseas Chinese business organizations, provide overseas enterprises with services like information sharing, business guidance and rights protection, and increase the organizational level of overseas enterprises. We should accelerate the pace to cultivate internationalized consulting companies and law firms so as to provide the enterprises with

professional investment consulting and rights protection services, help them open the international market to generate strong support to the B&R Initiative. We need to actively build the digital information platform of online Silk Road and reserve bank of key projects, improve market-based information collection, categorizing and sharing mechanism, and provide the company with open, transparent and timely market information. We should also set up chamber of commerce and associations, improve their professional level, and provide their member enterprises with diversified forms of services including information sharing, investment guidance, skill training, policy consulting and mediation, etc. We have to strictly regulate the behaviors of the enterprises according to international business codes, cultivate their quality consciousness, create the atmosphere of self-discipline, and promote the construction of a healthy silk road.

Seventh, we should enhance the abilities of diplomatic institutions to better serve the enterprises, give full play to the guiding and protective role of our embassies and general consulates, and help the enterprises better adapt to the local environment. There are more than 230 Chinese embassies and general consulates stationed abroad. They are experts who are familiar with not only foreign policies and laws but also useful information concerning corporate development. They serve as the strong backing of Chinese enterprises by providing direct service and protection. Therefore, we should bring into full play the role of the embassies and general consulates, encourage them to promote bilateral relations between China and their host nations, optimize diplomatic environment by organizing public diplomatic events related to the B&R Initiative, take advantage of government diplomacy, people-to-people exchanges and high-level official visits to create sound business environment for the enterprises. In addition, diplomatic institutions should intensify their efforts to serve the enterprises and help them overcome difficulties in adapting to local culture, laws and policies.

Eighth, we should not only make assessment on the opportunities but also evaluate, manage and control risks so as to promote the healthy and sustainable development of the B&R Initiative. Before an overseas investment is made, the enterprises have to follow the latest development in the host nation, make judgment on the opportunities and challenges, formulate proper investment plans, and effectively identify and avoid all kinds of risks. We should give full play to the role of overseas consulting organizations, conduct feasibility analysis and risk-benefit evaluations, and establish the pre-warning system. By enhancing the abilities of risk control, we can tackle the challenges at the earliest stage. In order to ensure safety of the enterprises' capital, we should improve bilateral and multilateral investment protection mechanism, reduce risks by properly using policy-oriented export credit insurance, establish overseas investment insurance system and build the community of shared responsibility and destiny, actively promote the sustainable security concept, make concerted efforts to create good business environment, and build a peaceful Silk Road. (NPC) ■

(The author is a member of the Standing Committee of the 12th National People's Congress, vice chairman of the NPC Financial and Economic Committee, and vice president of China National Democratic Construction Association)





← Vehicles attending the Moscow-Beijing 2016 Silk Road Rally arrive in Beijing. Departed from the capital of Russia on July 8, the vehicles passed Russia, Kazakhstan and China and covered a course of more than 10,000 kilometers. *Wang Xiujun*

↑ Tourist departments from nine cities along the Maritime Silk Road sign cooperation contracts with countries including Canada, Greece and Spain on November 13, 2016. An international cooperation association was established to co-tap the tourism resources along the Maritime Silk Road. *Liu Kegeng*

↓ Citizens enjoy the performance of Peking Opera and Chinese traditional musical instruments in Warsaw, Poland on August 2, 2014. *Gao Fan*







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