

# NPC



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## BIGGER BRICS, LARGER ROLE

IN ITS SECOND DECADE, BRICS IS READY FOR  
A GREATER SHARE IN GLOBAL GOVERNANCE

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↑ President Xi Jinping (C) and other leaders of BRICS countries pose for a group photo during the 2017 BRICS Summit in Xiamen, south-east China's Fujian Province, on September 4. *Zhang Duo*

↓ Xiamen International Conference and Exhibition Center VCG

→ President Xi Jinping presides over the Ninth BRICS Summit in Xiamen, Fujian Province, September 4. South African President Jacob Zuma, Brazilian President Michel Temer, Russian President Vladimir Putin and Indian Prime Minister Narendra Modi attended the summit. *Xie Huanchi*





President Xi Jinping meets the press at the end of the Ninth BRICS Summit in Xiamen, Fujian Province, September 5. Hou Yu

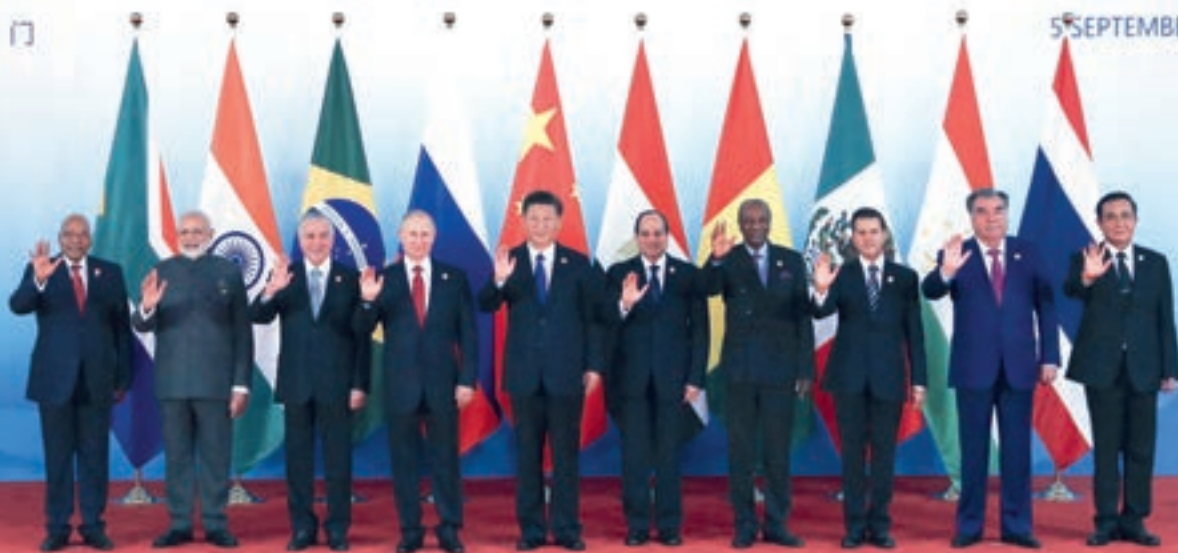




# 新兴市场国家与发展中国家对话 DIALOGUE OF EMERGING MARKET AND DEVELOPING COUNTRY

国·厦门

5 SEPTEMBER 2017 XI



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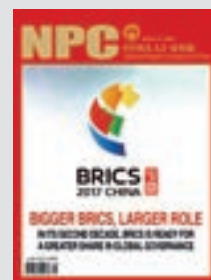
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COVER: The Ninth BRICS Summit with the theme of "BRICS: Stronger Partnership for a Brighter Future" is held in Xiamen, southeast China's Fujian Province, from September 3 to 5.  
Wang Ye



**NPC**

General Editorial

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# Bigger BRICS, larger role

In its second decade, BRICS is ready for a greater share in global governance

By Yu Lintao

**W**hen the first BRIC Summit was held in 2009 in Moscow, the Chinese version of the bloc leaders' joint statement was only around 1,500 characters. This September, the Xiamen Declaration of the Ninth BRICS Summit saw its list of outcomes exceed 12,000 characters.

Though the achievement of this cooperation platform of emerging economies can't be measured by the length of the joint statement, it still serves to underscore the growing cooperation among the five countries.

From simply an economic term to an outstanding cooperation platform of emerging economies, the tenor of BRICS has rapidly expanded in the past decade. Its agenda has evolved from promoting economic cooperation and development to improving global governance and jointly addressing global challenges.

Observers say with the enhancement of the cooperation mechanism, BRICS is expected to play a larger role in the world arena.

## A larger role

Different from the Group of Seven (G7), which is often dubbed a rich countries' club, BRICS is not based on ideology or geopolitics. It developed from an economic term coined by former Goldman Sachs economist Jim O'Neill in 2001 into a cooperation platform for emerging economies to pursue economic cooperation and now, better global governance.

In the past decade, the bloc was the source of more than half of global growth. In 2016, it accounted for 23 percent of the global economy, almost double the group's share in 2006.

Even O'Neill is surprised that 16 years later, BRICS' share of the global GDP is bigger than every scenario he has projected.



What's more, their fields of cooperation are expanding as well, particularly in the past two years, from the establishment of the New Development Bank (NDB) to the Contingent Reserve Arrangement, a measure to combat global liquidity pressure; from jointly combating protectionism to handling the climate change issue with one voice.

"The social value of BRICS' pragmatic cooperation is emerging gradually," said Wang Wen, executive dean of the Chongyang Institute for Financial Studies at Renmin University of China. However, the West has been trying to belittle the platform, with reports of a "fading BRICS" emerging in the Western media time and again, he added.

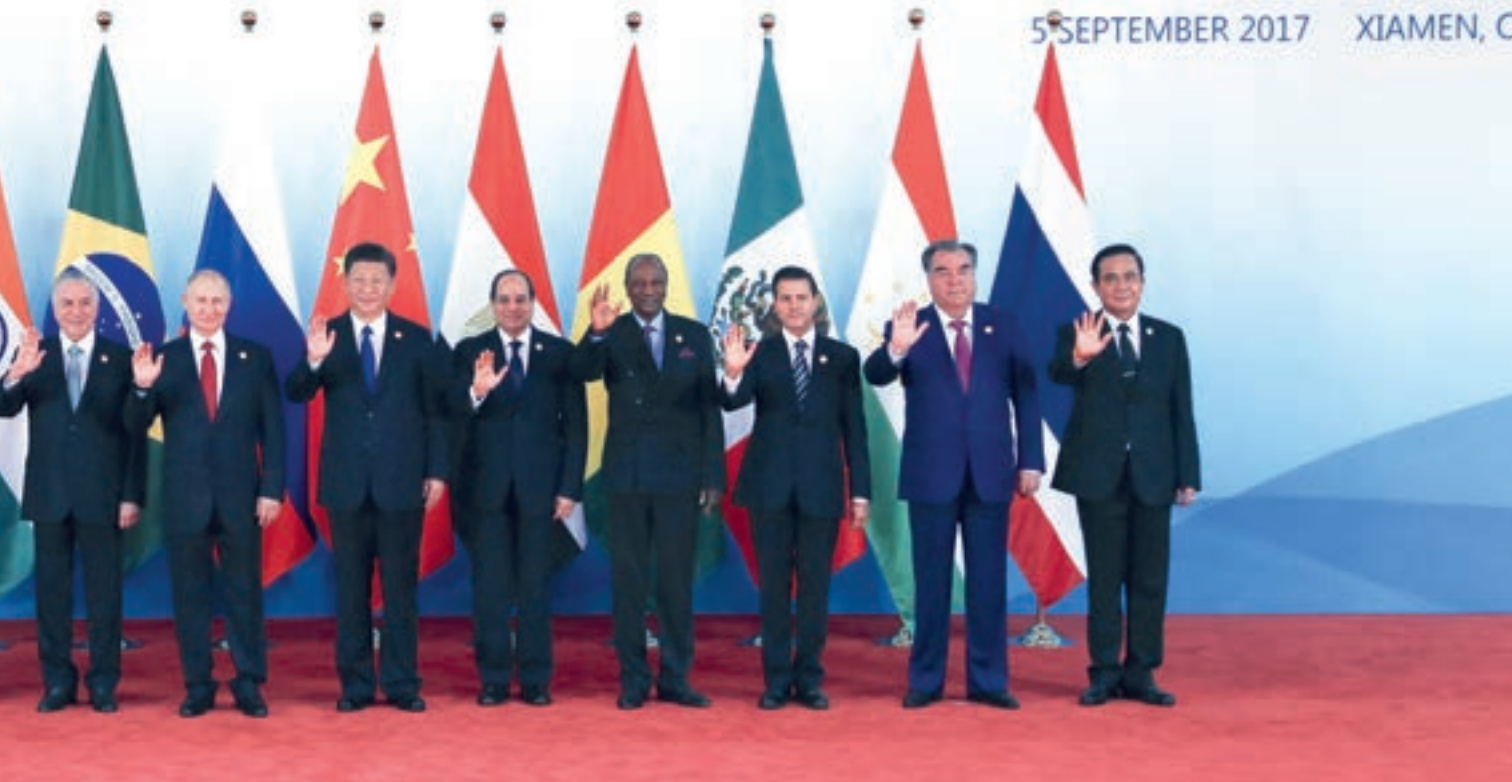
Given its size—the BRICS countries together account for 43 percent of the world's population and 26 percent of global territory—and its current economic contribution to the world economy, BRICS should assume a larger role in world affairs, Wang added.

In a recent article in *World Affairs*, a leading Chinese publication on global issues, Xu Xiujun, a researcher on BRICS studies with the Chinese Academy of Social Sciences, wrote

# 新兴市场与发展中国家对话会

## EMERGING MARKET AND DEVELOPING COUNTRIES

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Leaders from the five BRICS countries, as well as Egypt, Guinea, Mexico, Tajikistan and Thailand, pose for a group photo on September 5 in Xiamen, southeast China's Fujian Province. Pang Xinglei

that global issues are becoming more prominent of late while economic and political issues are becoming closely intertwined. So, though positioned as an economic cooperation platform, the spillover effects of BRICS in other fields, such as global politics and security, are unavoidable.

During the Seventh Meeting of BRICS High Representatives for Security Issues in Beijing in July, the five agreed that deeper political and security cooperation would be the key to strengthening the BRICS mechanism. The political situations in the Middle East and North Africa were the main focus of attention. The joint declaration also referred to issues related to Afghanistan.

The Western world has seen a wave of anti-globalization represented by Europe's refugee crisis, Brexit, as well as US President Donald Trump's protectionist trade agenda. The changing world situation is providing an opportunity for BRICS to have a bigger voice in global governance.

Oliver Stuenkel, an associate professor at the Getulio Vargas Foundation in Sao Paulo and author of *The BRICS and the Future of Global Order*, said that against the backdrop of

the rising anti-globalization movement and protectionism, particularly in the Western world, it was up to the BRICS countries to defend globalization and "assure that the world does not commit the same mistakes that have been committed in the past century, leading to conflict."

At the BRICS Seminar on Governance in Quanzhou, southeast China's Fujian Province, in August, Jorge Eduardo Navarrete, a former Mexican diplomat and senior researcher with the National Autonomous University in Mexico, stressed that "global governance practices and institutions should be profoundly transformed to keep them in line with the evolution of an international economy in which the industrial, technical and financial relations and balances are constantly changing in favor of large emerging economies."

He said the situation is the same in the sphere of political relations and power balances, both globally and regionally. "The new multiregional institutions, such as the BRICS, have an important contribution to make for the construction of new global governance architecture," Navarrete said.

BRICS is increasing its participation in global governance.



Photo taken on August 31 shows a logo sculpture of the 9th BRICS Summit at Xiamen International Conference and Exhibition Center in Xiamen, Fujian Province. Wei Peiquan

The achievements include the establishment of the NDB, which offers an alternative in addition to the large financial institutions which are often alleged to overlook the needs of developing countries or do not have enough reach, and more voting rights in global financial organs like the World Bank and International Monetary Fund.

The Xiamen Declaration stressed the bloc's commitment to a more efficient global economic governance framework that reflects the current world economic landscape. It emphasized the importance of an open and inclusive world economy enabling all countries and peoples to share in the benefits of globalization and safeguarding the interests of developing countries.

"From the rim of global governance, where they had almost lost their voice, the BRICS platform is bringing developing countries back to center stage," Wang said.

## Beyond BRICS

On the sidelines of the Xiamen Summit, the Dialogue of Emerging Market and Developing Countries was held under the BRICS Plus form, where leaders of Egypt, Guinea, Mexico, Tajikistan and Thailand were invited to join the BRICS leaders.

The BRICS Plus mode was proposed by China following the Durban Summit in 2013, when some regional countries were invited for dialogue on the sidelines of the main meeting.

This time, China developed the BRICS Plus model by inviting five developing States from three continents, namely, Africa, Asia and Latin America, to boost dialogue and discussion about cooperation between BRICS and other developing States.

"The mode will enrich the BRICS cooperation mechanism. Particularly, against the current backdrop of anti-globalization and protectionism, it will offer the wisdom of developing countries for global economic governance," said Chen Fengy-

ing, a senior researcher with China Institutes of Contemporary International Relations.

"The special agenda of the Xiamen Summit showed China's aspiration to make the development pie bigger and let all countries share the achievements of emerging economies," Wang added.

This, he said, will expand BRICS' circle of friends. "With broad partnerships, the group can evolve into a more influential platform for South-South cooperation. It also reflects China's vision for a new globalization with promoting common development as its core," he said.

According to him, many emerging economies, including Indonesia and Turkey, have shown great interest in joining the platform.

The Xiamen Declaration also proposed to strive toward broad partnerships with emerging market and developing countries, committing that the dialogue and cooperation with non-BRICS countries would be on an "equal footing."

"By expanding the bloc's partnership, BRICS Plus would infuse a fresh driving force for its development in the next decade," Chen said.

## A third drive

All the five BRICS members are regional powers with long histories and colorful cultures. However, compared with their extensive economic and political dialogues, their people-to-people exchanges are still far from adequate.

"Many of the existing problems among BRICS countries derive from insufficient understanding and lack of trust," Chen said. "That is why the Xiamen Summit emphasized the role of people-to-people exchanges in the BRICS cooperation mechanism this year."

The Xiamen Declaration highlights enhancing people-to-people exchanges to create a public opinion foundation for the fresh development of the bloc in the next decade.

According to Wang, the BRICS cooperation mechanism is evolving from a "two-wheel drive of economy and politics" into a "three-wheel drive" with economic cooperation, political dialogue and people-to-people exchanges as its major pillars and the content of cooperation.

"No matter whether it is for deepening BRICS' own cooperation or building a wider partnership, mutual understanding and friendship among peoples are indispensable. It helps the cooperation mechanism to be more stable and lays a solid foundation for the mechanism's future development," Wang said.

According to Chen, there is vast cooperation potential in cultural and people-to-people exchanges for the five to tap, such as Russia's literature, India's film industry and Brazil's football. "Deeper and wider exchanges will make the people of each country fall in love with the others' cultures," she added.

In recent times, such exchanges have been making pragmatic progress. Earlier this year, the first BRICS Games was held in China, followed by the first BRICS Cultural Festival held in Xiamen from September 15 to 22. The five countries have also held two film festivals and shot their first co-production movie, *Where Has Time Gone?* More and more Indian films are being shown in China, winning the hearts of Chinese audiences. (Beijing Review) ■



# Highlights of the Xiamen Declaration

**The BRICS leaders Xiamen Declaration was released on September 4 after their ninth summit. These are some of its highlights:**

BRICS will strive toward broad partnerships with emerging market and developing countries. It will pursue equal-footed and flexible practices and initiatives for dialogue and cooperation with non-BRICS countries, including through BRICS Plus cooperation.

BRICS leaders welcome the creation of the BRICS E-Port Network and the establishment of the BRICS E-Commerce Working Group. They also welcome China's initiative to host the International Import Expo in 2018.

BRICS leaders agree to promote the development of BRICS local currency bond markets and jointly establish a BRICS local

currency bond fund.

They agree to facilitate financial market integration.

They encourage explorations toward the establishment of the BRICS Institute of Future Networks. BRICS countries will enhance joint research, development and innovation in information and communications technology, including the Internet of Things, cloud computing, big data, data analytics, nanotechnology, and artificial intelligence, 5G and their innovative applications.

BRICS leaders commit to strengthen BRICS cooperation on energy. BRICS will work to foster open, flexible and transparent markets for energy commodities and technologies.

BRICS leaders welcome the establish-

ment in India of a coordination center for the BRICS Agriculture Research Platform.

They agree to better leverage the benefits of capital flows and manage the risks stemming from excessive cross-border capital flows and fluctuations.

They strongly deplore the nuclear test conducted by the DPRK.

They call upon the international community to establish a genuinely broad counterterrorism coalition and support the UN's central coordinating role in this regard.

They emphasize the importance of people-to-people exchanges in promoting development and enhancing mutual understanding, friendship and cooperation among the peoples of BRICS member States.



Residents and photographers flock to Bailuzhou Park in Xiamen, Fujian Province to take pictures on August 31. Legend has it that Xiamen was originally a habitat of egrets, hence it gets the nickname of the Egret Island. VCG



## All eyes on BRICS

From an economic idea to a cooperation platform for major emerging economies, BRICS has drawn worldwide attention over the past decade. During the Ninth BRICS Summit in Xiamen, Beijing Review and China Today interviewed ambassadors and scholars from both China and abroad. The following are edited excerpts of what they had to say about BRICS:

***Some say BRICS is just a round table for talks because it has no binding rules for members or mechanism to take unified action as a whole. Some Western media even predict the decline of BRICS. What do you think of BRICS?***

**Liu Zhiqin, senior fellow, Chongyang Institute for Financial Studies, Renmin University of China:** The increasing mutual trust between BRICS members has promoted their cooperation and exchanges. The BRICS group has become a new model of multilateral cooperation on common development.

In Chinese, BRICS is not merely a set of bricks; we Chinese add the adjective “golden” to describe the bricks, which reflects China’s positive expectations for cooperation ties. Gold can endure over time. China hopes BRICS cooperation can withstand various difficulties and challenges. Therefore, BRICS

countries must maintain unity and be candid to each other. In this way, they can push their common development to a new height and better promote the reform of world economic governance.

As a Chinese saying goes, unity is power. BRICS must maintain a stronger partnership to tackle challenges in a changing world.

**He Wenping, professor and director of African Studies at Institute of West-Asian and African Studies, Chinese Academy of Social Sciences:** BRICS serves as a good platform for major emerging countries to have their say on global economic governance. There have been various views since the cooperation mechanism was established. Media outlets, especially those from the West, take a pessimistic view of the future of BRICS. They overlook BRICS members’ efforts to undertake reforms in their domestic economies.

In the face of challenges, BRICS countries have put forward new development strategies. For example, China launched the Belt and Road Initiative to promote broad international cooperation on common development. Russia is building the Eurasian Economic Union. South Africa announced its ocean development strategy. China’s Belt and Road Initiative is well received by countries across

the Eurasian continent, Southeast Asia and Africa.

**Georgy Toloraya, professor of economics, Moscow University of International Relations, executive director of Russian National Committee on BRICS Research:**

All five BRICS countries hope to reform and improve the current global governance. Over the past 10 years, BRICS has signed many documents and action plans. The five countries are implementing cooperation at the level of over 35 governmental departments or sectors.

It needs to be pointed out that BRICS is not a framework for economic integration. BRICS countries are different in national conditions, political systems and geographic environments. They are also in different phases of development. Diversification is one of the most unique features of BRICS. So it is natural that they have different ideas on some issues. But, the key to BRICS’ success is that all parties pursue common interests on the basis of dialogue and consultation. Even complicated disputes and contradictions shall not hinder the five members from discussing action plans that are good for all.

***What efforts should BRICS States make to enhance their cooperation in the future?***

**Liu Zhiqin:** A sound bilateral relationship will better serve BRICS’ growth.

In particular, I believe the China-Russia relationship is an important pillar of BRICS.





National flags flutter in the wind in front of the Xiamen International Conference and Exhibition Center on September 2. Xiamen hosted the Ninth BRICS Summit on September 4. Zhang Guojun

The two nations should expand their economic and trade cooperation, providing driving force for BRICS' development. In 2016, trade between China and Russia reached nearly \$50 billion. Both Chinese and Russian leaders vowed to make the bilateral trade reach \$100 billion by 2020. Such an ambitious target shows their strong confidence in bilateral cooperation. This is also a positive signal for BRICS. Closer China-Russia ties have been important for the healthy development of BRICS in past years.

Furthermore, BRICS should strengthen its voice to maintain world economic order, including on the World Trade Organization (WTO) rules for solving trade disputes. Today, some developed countries are inclined to resort to protectionist measures in trade disputes. All BRICS countries have suffered discriminatory policies by the West, which have intensified unfairness in the world trade system. So, BRICS should unite to say no to such unilateral actions.

**He Wenping:** BRICS countries have respective advantages in deepening industrial and technological cooperation. As we know, China is making rapid progress in nuclear energy, aerospace, computing and manufacturing. Russia is a world power in heavy industry. Brazil is developing its own aircraft manufacturing industry. India is called "the office of the world," famous for abundant IT and management human resources. South Africa is a financial center in Africa. All these five countries consider how they complement

each other's advantages. In fact, there are still wide gaps for them to fill even though they have signed many intergovernmental cooperation documents.

Some may be over-optimistic about BRICS cooperation in putting forward the proposal to build an economic union. I think this is too early to consider. Currently, BRICS should work hard to deal with their economic problems first and then explore more ways to improve global governance for the interests of developing countries.

**Georgy Toloraya:** BRICS now should implement cooperation on the New Development Bank (NDB) and other economic collaboration strategies that they have reached. Currently, the trade between China and the other four countries is much bigger than the trade between the four countries themselves. For the healthy development of BRICS, its members must truly and effectively participate in multilateral cooperation in the future.

The NDB is the first major organization arranged under the BRICS framework. In the aspect of finance, politics or strategy, the NDB is a good attempt to supplement current global financial institutions, as it aims to meet the needs of developing countries.

**China has proposed to expand the dialogue between BRICS and other developing countries. What implication does the BRICS Plus proposal have for BRICS? What opportunities does it bring to other developing countries?**

**Yaroslav Lissovolik, chief economist of Eurasian Development Bank:** The State leaders of Egypt, Guinea, Mexico, Tajikistan and Thailand were invited to attend the Dialogue of Emerging Market and Developing Countries. In the past, the host nation of the BRICS Summit would invite neighboring countries to a meeting as a means to implement the idea of BRICS expansion. China this time enlarged the circle of friends from the local neighborhood to the whole world.

It is necessary to point out that BRICS Plus doesn't mean the simple expansion of the group's members. BRICS hopes to expand cooperation with more developing countries. The idea of BRICS Plus will help developing countries find new ways to reach international cooperation. The mechanism of BRICS Plus can become a new platform to promote South-South cooperation and dialogues.

Each BRICS member is also a member of other cooperation organizations like the Shanghai Cooperation Organization, Eur-

asian Economic Union, South American Common Market, Southern African Development Community and South Asian Association for Regional Cooperation. All members of these regional organizations could develop widespread partnerships with BRICS. So, BRICS Plus could establish links with other mechanisms and organizations consisting of developing countries and eventually promote South-South cooperation globally.

Furthermore, BRICS Plus is helpful to reconcile regional organizations and multilateral arrangements in world economic affairs. Through expanding its partners, BRICS will boost a new round of globalization and create a new model for the world's multi-polarization and cooperation between civilizations.

**Ali Asghar Khaji, Iranian ambassador to China:** Since its founding, the BRICS cooperation mechanism has represented a new cooperation concept and played an important role in raising a voice in the international community on behalf of the developing world. The Iranian Government showed its support for the BRICS Plus proposal when it was first put forward. As an important developing country in the region of North Africa and West Asia, Iran is poised to strengthen its cooperation with China under the frameworks of the Belt and Road Initiative and BRICS Plus. In addition, we also hope China as a leading developing country can play a bigger role in advancing cooperation among developing countries on such aspects as economy, security and social development.

**Leela Mani Paudyal, Nepal's ambassador to China:** BRICS, as an economic platform, engages with more and more developing countries that have opportunities to benefit from the economic development of BRICS countries. We're quite optimistic about that. That would provide a good opportunity and prospects for countries like Nepal. We'll find more markets for our products, and we'll benefit from the capabilities that BRICS countries have. We'll see opportunities to share the technological advancements they've made. So, we'll also be able to give our economy the new technology they developed. It would be a new opportunity for countries in the region, particularly developing countries.

**Gonzalo Sabate, vice ambassador of Argentina to China:** For Argentina, it would be a good thing to be involved with BRICS. We're in the G20. We'll organize the G20 Summit next year; China did the G20 last year. We're at the appropriate level of development to be in the BRICS group.

(Beijing Review)



President Xi Jinping makes a speech at a gathering celebrating the 20th anniversary of Hong Kong's return to the motherland and the inaugural ceremony of the fifth-term government of the Hong Kong Special Administrative Region, in Hong Kong, July 1. *Lan Hongguang*

## President Xi Jinping's speech at the meeting celebrating the 20th anniversary of Hong Kong's return to the motherland and the inaugural ceremony of the fifth-term HKSAR government

Fellow Compatriots,  
Dear Friends,

Today, we are meeting on this solemn and joyous occasion to both celebrate the 20th anniversary of Hong Kong's return to the motherland and hold the inaugural ceremony of the fifth-term government of the Hong Kong Special Administrative Region.

First of all, on behalf of the Central Government and the people of all ethnic groups across the country, I wish to ex-

tend our cordial greetings to all the people in Hong Kong and our warm congratulations to Madam Carrie Lam Cheng Yuet-ngor, the newly inaugurated fifth-term Chief Executive of the HKSAR, principal officials of the fifth-term HKSAR government and members of the Executive Council. I also express our heartfelt thanks to all our fellow Chinese, both at home and abroad, and foreign friends for their good wishes and support to Hong Kong.

Meeting here on the shores of Hong Kong, which have



stood the test of time and seen profound changes, we are filled with thoughts and emotions, as we reflect on the extraordinary journey we have taken to get where we are today.

The destiny of Hong Kong has always been intricately bound with that of the motherland. After modern times, with a weak China under corrupt and incompetent feudal rule, the Chinese nation was plunged into deep suffering. In the early 1840s, Britain sent an expeditionary force of a mere 10,000 troops to invade China and got its way in forcing the Qing government, which had an 800,000-strong army, to pay reparations and cede the island of Hong Kong to it. After the Opium War, China was repeatedly defeated by countries which were far smaller in size and population. Kowloon and “New Territories” were forcibly taken away. That page of Chinese history was one of humiliation and sorrow. It was not until the Communist Party of China led the Chinese people to victory in a dauntless and tenacious struggle for national independence and liberation and founded New China that the Chinese people truly stood up and blazed a bright path of socialism with distinctive Chinese features. Thanks to close to four decades of dedicated efforts since the launch of the reform and opening-up policy in the late 1970s, we have entered a new era in the development of the Chinese nation.

It was against the historical backdrop of reform and opening-up that Mr. Deng Xiaoping put forward the great vision of “One Country, Two Systems”, which guided China’s diplomatic negotiations with the United Kingdom that led to the successful resolution of the Hong Kong question, an issue that was left over from the past. Twenty years ago today, Hong Kong returned to the embrace of the motherland. This ended past humiliation and marked a major step forward toward the complete reunification of China. Hong Kong’s return to the motherland has gone down as a monumental achievement in the history of the Chinese nation. Hong Kong has since then embarked on a journey of unity and common development with the motherland.

Fellow Compatriots,

Dear Friends,

Time flies fast! It has been 20 years since Hong Kong’s return to the motherland. According to China’s tradition, a man enters adulthood at the age of 20. So today, we are celebrating the coming of age of the HKSAR, which has grown exuberant like a bamboo or a pine tree. Looking back at the HKSAR’s growth, we can proudly conclude that thanks to the support of the motherland and with an international vision and an innovative spirit, Hong Kong has in the last two decades continued to develop itself as a modern metropolis. The practice of “One Country, Two Systems” in Hong Kong is a success story recognized by all.

-- Since its return to the motherland, Hong Kong has joined the remarkable journey toward the great renewal of the Chinese nation. As a special administrative region directly under the Central Government, Hong Kong has been re-integrated into China’s national governance system since the very day of its return. The Central Government exercises jurisdiction over Hong Kong in accordance with China’s Constitution and the Basic Law of the HKSAR, and corresponding systems and institutions have been set up for the special administrative region. Hong Kong’s ties with the mainland have grown increasingly close, so have its interactions and cooperation

with the mainland. The people of Hong Kong have played an active part in China’s reform, opening-up and modernization drive and made their unique and important contribution to this endeavor. They have ever stronger confidence in China’s development and national renewal, and share with the people on the mainland the dignity and honor of our great motherland.

-- Since its return to the motherland, Hong Kong has maintained prosperity and stability. Hong Kong has kept its distinct features and strengths. Its allure of being a vibrant metropolis where the East meets the West has remained as strong as ever. Under the practice of “One Country, Two Systems”, Hong Kong has retained its previous capitalist system and way of life, and its laws have remained basically unchanged. The people of Hong Kong, now masters of their own house, run their local affairs within the purview of autonomy of the HKSAR. The people of Hong Kong enjoy more extensive democratic rights and freedoms than at any other time in its history. Having withstood the impact of the Asian financial crisis, the SARS epidemic and the global financial crisis, Hong Kong has emerged stronger as an international financial, shipping and trading center; and it has been consistently rated by many international institutions as one of the freest economies and most competitive regions in the world. Hong Kong has made substantial advances in various programs, increased external interactions and raised its international profile.

What has happened in Hong Kong fully demonstrates that the concept of “One Country, Two Systems” provides the best solution to the historical question of Hong Kong and the best institutional arrangement to ensure Hong Kong’s long-term prosperity and stability after its return. “One Country, Two Systems” has proved to be a workable solution welcomed by the people.

Fellow Compatriots,

Dear Friends,

“One Country, Two Systems” is a great initiative pursued by China. It offers a new way of thinking and a new formula to the international community in addressing similar issues. It is another contribution made by the Chinese nation to promoting global peace and development. And it embodies the Chinese vision which values openness and inclusiveness. To uphold and implement the principle of “One Country, Two Systems” meets the interests of the Hong Kong people, responds to the needs of maintaining Hong Kong’s prosperity and stability, serves the fundamental interests of the nation, and meets the shared aspiration of all Chinese. That is why I have made it clear that the Central Government will unswervingly implement the policy of “One Country, Two Systems” and make sure that it is fully applied in Hong Kong without being bent or distorted. This will enable us to keep advancing in the right direction.

“One Country, Two Systems” is a pioneering initiative that has no precedent to follow. Its application entails an evolving process. Currently, some new developments have occurred and new issues emerged regarding its application in Hong Kong. Hong Kong needs to improve its systems to uphold national sovereignty, security and development interests. It needs to enhance education and raise public awareness of the history and culture of the Chinese nation. It is yet to build

public consensus on some major political and legal issues. The Hong Kong economy also faces quite a few challenges. Hong Kong's traditional strengths start to lose the edge while new drivers of growth are yet to emerge. Housing and other issues that affect the daily life of the people have become more serious. To address these challenges, meet the expectation of Hong Kong people for a better life and advance Hong Kong's development in all sectors, we must stay on the right and steady course, gain a full understanding of the policy of "One Country, Two Systems" and faithfully implement it. Hence, I wish to take the opportunity to talk to you about how to better implement the policy of "One Country, Two Systems" in Hong Kong.

First, it is imperative to have a correct understanding of the relationship between "One Country" and "Two Systems". "One Country" is like the roots of a tree. For a tree to grow tall and luxuriant, its roots must run deep and strong. The concept of "One Country, Two Systems" was advanced, first and foremost, to realize and uphold national unity. That is why in the negotiations with the United Kingdom, we made it categorically clear that sovereignty is not for negotiation. Now that Hong Kong has returned to China, it is all the more important for us to firmly uphold China's sovereignty, security and development interests. In conducting day-to-day affairs, we must be guided by a strong sense of "One country", firmly observe the principle of "One Country", and thus correctly handle the relationship between the HKSAR and the Central Government. Any attempt to endanger China's sovereignty and security, challenge the power of the Central Government and the authority of the Basic Law of the HKSAR or use Hong Kong to carry out infiltration and sabotage activities against the mainland is an act that crosses the red line, and is absolutely impermissible. On the other hand, on the basis of "One Country", the "Two Systems" should and have every reason to stay in harmony and reinforce each other. We must both adhere to the "One Country" principle and respect the differences of the "Two Systems", both uphold the power of the Central Government and ensure a high degree of autonomy in the HKSAR, both give play to the role of the mainland as a staunch supporter of Hong Kong and enhance Hong Kong's own competitiveness. At no time should we focus only on one aspect to the neglect of the other. Only in this way can we ensure that the ship of "One Country, Two Systems" will break the waves, sail steadily and go the distance.

Second, it is imperative to always act in accordance with the Constitution and the Basic Law. Hong Kong's return completed a major transformation of its constitutional order. The Constitution of the People's Republic of China and the Basic Law of the HKSAR together form the constitutional basis of the HKSAR. The Constitution is the fundamental law of the State. It embodies the common will of people of all ethnic groups in our country, and represents the legal origin of the system of special administrative region. The Basic Law is a basic legislation enacted in accordance with the Constitution. It provides for the system and policies that should be practiced in the HKSAR, codifies into law and makes institutional arrangement for the principle of "One Country, Two Systems", and provides legal safeguards for the practice of "One Country, Two systems" in the HKSAR. In observing the constitutional order prescribed by the Constitution and the Basic Law, it is important both for the Central Government

to exercise power in accordance with the law and for the HKSAR to fulfill its own responsibilities as the main actor. We should improve the relevant institutions and mechanisms for implementing the Basic Law and raise public awareness of the Constitution and the Basic Law in Hong Kong, particularly among civil servants and the young people. These steps are integral to practicing "One Country, Two Systems", advancing the rule of law nationwide and upholding the rule of law in Hong Kong.

Third, it is imperative to always focus on development as the top priority. Development, an abiding pursuit, is crucial for Hong Kong's survival, and it holds the golden key to resolving various issues in Hong Kong. The concept of "One Country, Two Systems" was advanced to achieve two goals: namely, peacefully resuming the exercise of sovereignty over Hong Kong, and maintaining Hong Kong's status as an international financial, shipping and trading center in order to promote further growth. Currently, more focus should be given to development. Teenagers want to grow up happily. Young people want to bring out the best of their talent. People in mature years want to be successful, and the seniors want to enjoy their golden years. Obviously, all this can only be achieved through development. Hong Kong enjoys the backing of the motherland and is open to the world. It therefore has many favorable conditions for development and distinctive competitive advantages. In particular, China's continuous and rapid development over the years provides an invaluable opportunity, an inexhaustible source of strengths and broad space for Hong Kong's development. As a saying in Hong Kong goes, "After leaving Suzhou, a traveler will find it hard to get a ride on a boat", meaning an opportunity missed is an opportunity lost. It is important to cherish the opportunity, seize it and focus your energy on Hong Kong's development.

Fourth, it is imperative to always maintain a harmonious and stable social environment. The concept of "One Country, Two Systems" gives expression to the vision of peace and harmony in the Chinese culture. It embodies a very important tenet, namely, seeking broad common ground while setting aside major differences. Hong Kong is a plural society. So it comes as no surprise that there are different views and even major differences on some specific issues. However, making everything political or deliberately creating differences and provoking confrontation will not resolve the problems. On the contrary, it can only severely hinder Hong Kong's economic and social development. Bear in mind the larger interests, communicate in a sensible way and build more consensus: this is the best way to find solutions to issues over time. On the part of the Central Government, we are ready to talk to anyone who loves the country, loves Hong Kong and genuinely supports the principle of "One Country, Two Systems" and the Basic Law of the HKSAR, no matter what political views or position he or she may hold. Harmony brings good fortune, while discord leads to misfortune. Hong Kong is an affluent society, but it also faces enormous challenges posed by profound changes in the global economic environment and the increasingly intense international competition. It cannot afford to be torn apart by reckless moves or internal rift. The people of Hong Kong must be united, work together and help each other, and by so doing, you will ensure the success of Hong Kong, your common home.





President Xi Jinping and his wife Peng Liyuan greet the crowd upon their arrival in Hong Kong on June 29. *Lan Hongguang*

Fellow Compatriots,  
Dear Friends,

China is now in a decisive phase to finish building a moderately prosperous society in all respects. People of all ethnic groups across the country are engaged in a joint endeavor to realize the Two Centenary Goals and fulfill the Chinese Dream of national renewal. Ensuring the continued success of the practice of “One Country, Two Systems” in Hong Kong is part and parcel of the Chinese Dream. A cause with public participation and public support is sure to achieve success. We should ensure the success of development on the mainland which practices the socialist system; we should also ensure the success of development in Hong Kong which practices the capitalist system. We should have every confidence that we will succeed!

Today, the new SAR government is officially inaugurated. It shoulders major responsibilities and has a lofty mission to perform. It is my hope that in the next five years, the HKSAR government will unite people of all sectors in Hong Kong to fully and faithfully implement the principle of “One Country, Two Systems”, stay committed to the basis of “One Country”, well leverage the benefits of “Two Systems”, and make solid efforts to ensure success of its various endeavors. It is important for you to advance with the times, actively perform your duties, and continue to improve government performance. It is important to focus on priorities, fully leverage Hong Kong’s strengths and open up a new horizon for Hong Kong’s economic development. It is important to put people first, help them overcome difficulties, especially address prominent economic and livelihood issues that people are concerned with, and truly increase their sense of content-

ment and happiness. It is important to raise awareness and enhance guidance, especially to step up patriotic education of the young people, to give them more care and support and help them grow up well.

The Central Government will continue to support the Chief Executive and the HKSAR government in exercising law-based governance. We will continue to support Hong Kong in growing its economy and improving people’s lives, and in leveraging its strengths and role in advancing the Belt and Road Initiative, the Guangdong-Hong Kong-Macao Greater Bay Area, Renminbi internationalization and other major development strategies. The relevant Central Government departments will actively consider adopting concrete measures to make it more convenient for the people of Hong Kong to study, work and live on the mainland, and provide more opportunities for them to pursue career development on the vast mainland. I am sure that the people of Hong Kong will enjoy brighter development prospects and live better lives while contributing their share to China’s overall development.

Hong Kong has the strong backing of the great motherland and the strong support of the Central Government and the people of the mainland. Hong Kong has gained a wealth of experience over the past 20 years since its return; it has a solid foundation for achieving further development, and it enjoys the concerted dedication of the HKSAR government and people in all the sectors. With all this in mind, I am convinced that the practice of “One Country, Two Systems” in Hong Kong will write a new chapter and create new splendor for Hong Kong!

Thank you.

(Xinhua) ■



# The tale of a city

Since it returned to the motherland 20 years ago, Hong Kong has continued to develop itself as a modern metropolis

By Zan Jifang

**I**t was a historic scene at the Hong Kong Convention and Exhibition Center on July 1 when Hong Kong, a fishing village-turned metropolis, embarked on a new journey by welcoming its first female chief executive.

Lam Cheng Yuet-ngor, holding her right hand up solemnly, dressed in a light pink silk qipao—a traditional Chinese dress—with a white Chinese-style embroidered long coat, was sworn in as the fifth-term Chief Executive of Hong Kong Special Administrative Region (SAR) of China by President Xi Jinping.

## A big day

Besides Lam, the principal officials of the fifth-term Hong

Kong SAR government also took their oaths of office before Xi. After that, members of the Executive Council were sworn in by Lam.

The grand ceremony started with the sonorous sound of the Chinese national anthem sung by all those present, including members of a central government delegation and representatives from all walks of Hong Kong society. It was also a celebration for the 20th anniversary of Hong Kong's return to the motherland.

The venue was the same place where the city was handed over by Britain to China on July 1, 1997, and the Hong Kong SAR government officially established. The occasion drew people's minds back to the historic moment 20 years ago.

Xi gave a speech at the ceremony, recalling the history of





Hong Kong VCG

Hong Kong, from falling to British colonial rule in the late Qing Dynasty (1644-1911) to returning to China more than 150 years later.

Xi said that in the past two decades, the principle of “One Country, Two Systems” had achieved great success in Hong Kong and it has proven to be the best solution to the historical question of Hong Kong and the best institutional arrangement to ensure Hong Kong’s long-term prosperity and stability after its return.

“[The principle] has proven to be a workable solution welcomed by the people,” he said.

Xi also pointed out that “One Country, Two Systems” is a pioneering initiative that has no precedent to follow.

With regard to some new developments and new issues



President Xi Jinping (R) meets with Lam Cheng Yuet-ngor shortly after she was sworn in as the fifth-term chief executive of Hong Kong Special Administrative Region in Hong Kong on July 1. Ma Zhancheng

regarding how to better implement the principle of “One Country, Two Systems,” he put forward four proposals: having a correct understanding of the relationship between “One Country” and “Two Systems;” acting in accordance with the Constitution and the Hong Kong SAR Basic Law; focusing on development as the top priority; and maintaining a harmonious and stable social environment.

“Development, an abiding pursuit, is crucial for Hong Kong’s survival, and it holds the golden key to resolving various issues in Hong Kong,” he said.

Xi emphasized the importance of unity and called on the nation to have confidence in a better future for both the mainland with its socialist system, and Hong Kong, which follows capitalism.

“I firmly believe that with the strong support from the Central Government and the mainland people, the experience of the SAR government accumulated in the past two decades, and Hong Kong’s solid development basis as well as the concerted dedication of the Hong Kong SAR government and people, the principle of ‘One Country, Two Systems’ will enjoy greater success and Hong Kong’s tomorrow will be even better,” Xi said.

Pledging to lead Hong Kong to more achievements in the next five years, Lam said assuming the post of chief executive of Hong Kong SAR is both the greatest honor and the greatest challenge in her public service career.

“I will, as I always have, rise to challenges and firmly take actions in accordance with the law against any acts that will undermine the country’s sovereignty, security and development interests, abiding by ‘One Country, Two Systems,’ in fulfilment of the mandate from the Central Government and our community,” she said.

Lam said running for chief executive had given her a good

opportunity to understand the concerns at the grassroots and also foster stronger confidence in Hong Kong's prospects. Hong Kong has strong foundations, and outstanding talents, she said.

She will focus on strengthening people's trust in the government, Lam said. The government will serve the people in innovative, interactive and collaborative manners. "We will take forward specific measures to provide more opportunities for young people to take part in public policy discussions and implementation. By doing so, we aim not only to enhance their understanding of and trust in the government, but also to nurture future talent and leaders in society and politics."

Lam also said her confidence in the future came from the support of the Central Government and the institutional strengths established by generations of Hong Kong people.

"As we capitalize on our strengths and harness the opportunities presented by our country's development, Hong Kong's future is indeed bright and promising," Lam said.

The celebrations of the 20th anniversary of Hong Kong's return to the motherland started last year, with more than 200 activities in the SAR, on the mainland, and also abroad.

They climaxed on July 1. Early in the morning, attended by more than 2,000 people, a solemn flag-hoisting ceremony was held at the Golden Bauhinia Square outside the Hong Kong Convention and Exhibition Center. At 8 a.m., the national flag of China and the flag of Hong Kong SAR were fluttering against the wind at the top of the flagpoles.

At the same time, in Victoria Harbor nearby, 100 fishing boats started a parade with the national flag of China and the flag of Hong Kong SAR atop the mast of each boat.

In the evening, a big firework show lit up the sky above the harbor in a grand finale to the festivities of the day.

According to China's tradition, a man enters adulthood at the age of 20. In his speech, Xi called the celebrations on July 1 a coming-of-age rite for Hong Kong SAR. He quoted a line from The Book of Songs, an anthology of ancient Chinese

poetry, comparing the growth of Hong Kong to lush bamboos and pine trees with strong vitality.

"Twenty years are a good time to review the past and look into the future," Lam said.

In the past two decades, Hong Kong has continued to develop itself as a modern metropolis, marking an important chapter in the history of the city.

"The changes that took place in Hong Kong in the past 20 years were just what the city should have undergone after returning to the motherland and what its people had been anticipating," said Zhang Xiaoming, director of the Liaison Office of the Central Government in Hong Kong.

## A new epoch

China resumed the exercise of sovereignty over Hong Kong on July 1, 1997. On the same day, the Basic Law of Hong Kong SAR came into effect. According to the Basic Law, under the principle of "One Country, Two Systems," the socialist system and policies will not be practiced in Hong Kong, and the SAR enjoys a high degree of autonomy. It means Hong Kong people have finally become the masters of their own destiny.

For Tung Chee-hwa, first chief executive of Hong Kong SAR, who was in power from 1997 to 2005, the historic moment when the sovereignty of Hong Kong was transferred from Britain to China held much more than excitement. What he felt more was the weight of responsibility on his shoulders.

"It was the most unforgettable moment in my life, a moment I had long been anticipating," Tung said. "Watching the fall of the flag of Britain and the rise of the national flag of China, as a 60-year-old, I was deeply, deeply moved."

From then on, the affairs of Hong Kong have been handled by Hong Kong people themselves, and the rule of law, one of Hong Kong's core values, has been safeguarded, Tung said.

The other values that Hong Kong people treasure most,



China resumes the exercise of sovereignty over Hong Kong on July 1, 1997. Li Gang



such as freedom, judicial independence and clean governance, have also been consolidated after the return.

In the report on global competitiveness for 2016-17 published by the World Economic Forum, Hong Kong ranks third globally and first in Asia, in terms of judicial independence.

Hong Kong has also ranked among the top globally in the indexes of governance in the reports issued by the World Bank since 2003. In 2015, World Bank statistics showed Hong Kong's ranking for the rule of law rising to 11th place, from under 60th in 1996.

Yuen Kwok-keung, secretary for justice of the fifth-term Hong Kong SAR government, who held the same position in the previous government as well, said the statistics from international institutions were objective evaluations of the legal environment in Hong Kong.

"After the return [to the motherland], with the Basic Law as the foundation, the common law system, the rule of law and judicial independence in Hong Kong have all been better maintained," Yuen said.

He also said that many foreigners have confidence in Hong Kong's rule-of-law environment. "Many Western people I met on various occasions told me that when they want to invest in Asia, the first place coming into their minds is Hong Kong. One of the reasons is our legal system," he remarked.

The Basic Law, Yuen added, enables Hong Kong SAR to invite famous judges from other countries to work at the Court of Final Appeal. In the past 20 years, more than 20 judges from different countries came to work in Hong Kong.

"They are all prestigious judges in their own countries," Yuen said. "If they didn't think the rule-of-law environment in Hong Kong was good, judicial independence in Hong Kong was good, and the legal system was good, they would not have come."

Before Hong Kong's return to China, the governor of Hong Kong was appointed by the Queen of Britain and major government officials were dispatched by the British Government. But now the chief executive is elected and all the officials of the SAR government are Hong Kong people, said Lee Wai-king, a member of the Hong Kong SAR Legislative Council (LegCo) and chairperson of the Democratic Alliance for the Betterment and Progress of Hong Kong, the largest political party that has the most seats in the LegCo.

"This is the most important change after the return," said Lee.

"After the return, on the economic or social development front, the voices of all social groups can be heard, both the pros and cons," said Leung Kwan-yuen, president of the LegCo.

Leung said the degree of democracy in the election of the LegCo's members has been increasing. Especially when Hong Kong encountered difficulties or crises, the LegCo facilitated the passing of many bills initiated by the SAR government, helping many infrastructure and social development programs go smoothly.

Hong Kong has been more active in the international arena as well, said Zhang. Currently, Hong Kong participates in 41 inter-governmental international organizations and 37 non-governmental international organizations. A total of 157 countries or regions offer Hong Kong passport holders visa-free entry or visa on arrival.

## A society of diversity

Because of its excellent legal environment and social stability, Hong Kong is seen as one of the safest cities in the world. It is also home to a unique community of people who celebrate excellence and quality living.

More and more foreigners want to settle down in Hong Kong. For example, in the past 10 years, the number of French people who took up residence in Hong Kong doubled. With the total French population in Hong Kong exceeding 25,000, Hong Kong today has the largest French community in Asia, Zhang said.

"French people pursue a romantic life. The fact that many of them prefer to live in Hong Kong shows the appeal of the city," Zhang said.

Hong Kong is also one of the most popular tourist destinations in Asia where visitors have a variety of choices. They can go shopping in bustling downtown areas, spend a leisurely afternoon in the Central District old town, immerse themselves in culture and history at the well preserved historical sites, or simply stroll in the picturesque suburban parks.

In 2016, Hong Kong was included in the Top 10 tourist destinations in Asia named by the U.S.-based TripAdvisor, one of the leading travel websites in the world. In 1997, tourists to Hong Kong numbered 11.27 million, while in 2016, it rose to 56 million.

Hong Kong was also named the best city for business affairs globally by Business Traveler magazine in 2015, and the best venue for business events in a survey by CEI Asia, a conference, event and incentive travel industry news magazine, in the same year.

The integration of different cultures and interconnection between different peoples have made Hong Kong a pluralistic and tolerant society. The city has 1.27 million volunteers, extending care to the underrepresented and the minority communities.

Working as a rights and welfare officer at the Kowloon West Service Center of New Home Association (NHA), an NGO helping new arrivals from the mainland and the ethnic minorities in Hong Kong, Leung Ping-kin, a registered social worker, has been doing volunteer work for six years.

According to Leung, most of the staff at the NHA are volunteers. Their services include organizing consultations and employment training for adults and various classes for children.

"Every year, Hong Kong receives around 50,000 new arrivals. There are some 27,000 new arrivals in the area served by our center. We help them to adapt faster," he said.

The NHA has set up volunteer groups in different districts to organize new arrivals and help them realize their potential to serve the community.

Zhong Tian, who comes from Guangdong Province, is a newcomer in Hong Kong's volunteer army. When she studied in City University of Hong Kong years ago, she took part in many activities hosted by the NHA. After graduation in 2012, she decided to work in Hong Kong and became a volunteer in the NHA.

"Hong Kong is a city of immigrants. In the 1940s, the population was only 600,000, but now it is more than 7 million," said Hui Wing-mau, chairman of the NHA Board of Presi-

dents. "The city has accepted generations of new immigrants. It is very difficult for newcomers to integrate. However, if they are helped at an early stage, even before their arrival, it will be easier for them. This is why we established this association."

According to Hui, the NHA, founded in 2010, now has 130,000 members. Around 2,000 volunteers work at the association.

Zhong Ziqi, a new arrival from Guangdong who got a Hong Kong permanent identity card in 2015, is an NHA member and has benefited a lot from its services.

"Before I got the permanent resident status, I could not participate in many activities. But in the NHA, there is no such restriction. I joined the association in 2012 as a volunteer," Zhong said.

Her daughter has been learning dancing at the association for years. "She dances very well," Zhong said proudly.

While her children attend classes, Zhong also takes courses there in parenting, learning how to better communicate with children.

"As new arrivals, we may encounter difficulties in the process of integrating into society. The city is new to us and we need to know many things. The association is like our home, making us feel comfortable in the early days," she said.

## A hub of creativity

Diverse cultural and social backgrounds with a unique blend of Eastern and Western cultures make Hong Kong an ideal land to cultivate entrepreneurship and creativity. The SAR government set up Create Hong Kong (CreateHK), an agency under the Commerce and Economic Development Bureau, in June 2009 to spearhead the development of the creative industry in Hong Kong.

"The creative industry is an important element for an

international metropolis. We hope to forge Hong Kong into a creative hub," said Wellington Fung, assistant head of CreateHK. "Hong Kong is an open city and its East-meets-West characteristic provides a good platform for different talents to communicate and cooperate."

More than 210,000 people in Hong Kong are now engaged in the creative industry, covering design, fashion, film, television, music, publishing and printing, digital entertainment, advertising, architecture and the performing arts.

The Hong Kong SAR government has supportive policies to build up Hong Kong into a hub of creative startups, attracting global talents to realize their dreams in Hong Kong.

The PMQ is one of the creative centers in Hong Kong. Located on the historical Hollywood Road in the middle of Hong Kong's famous SoHo lifestyle district, the former Police Married Quarters has been revitalized and transformed into a landmark for the creative industry. Here, visitors can do much more than experiencing the best of Hong Kong's creative community. They can buy original items, meet their designers, and learn the story behind each inspired product.

A non-profit project to nurture Hong Kong designers, the PMQ is now home to more than 100 young createpreneurs. Belinda Chang is one of the young designers stationed there. She and her partner opened a contemporary jewelry studio to produce hand-made items, hoping to develop their own brand. The studio now works with six to seven designers and also trains people interested in jewelry designing.

"Each of the designers in our studio has their own design and collections. We hope our products have a variety of designs and meet the different needs of consumers. But the most important thing is that our designing concept is similar, and that's why we can work together," said Chang, who graduated from the University of Birmingham in Britain seven years ago.

"The SAR government subsidizes young artists' rents to help them start their businesses," said Wendy Chu, associate director of Corporate Communications and Tourism Marketing at PMQ Management Co. Ltd.

"In the past two years, the PMQ Management gave publicity to our studio and organized our participation in some international exhibitions and fairs, helping the world know more about the work of Hong Kong designers," Chang said.

"Rents and labor in Hong Kong are expensive and natural resources are limited, so what we can depend on is our people, or their creativity," said Fung.

Since the 1970s, Fung has been working in the Hong Kong film industry. "All of our films came from numerous ideas and so opening people's mind is crucial," he said. In his opinion, a feature of Hong Kong's culture is its boundless thinking and not being afraid of making mistakes.

He also holds that two major characters of Hong Kong people are their capability to adapt to the environment and their endurance. "Even a granny at home is trying to learn English to better communicate with others," he said.

Just as Fung said, with a strong adaption capability and endurance, no difficulties are insurmountable. It is true for the creative industry, and is also true for entire society. Endowed with such spirit, Hong Kong has reasons to be confident of more achievements in the future, and the legend of the Pearl of the Orient will go on. (Beijing Review) ■



Fishing boats hold a parade in the Victoria Harbor on July 1 to celebrate the 20th anniversary of Hong Kong's return to the motherland. Wang Xi



# How Hong Kong has been doing over two decades

**July 1 marks the 20th anniversary of Hong Kong's return from British rule and the establishment of the Hong Kong Special Administrative Region (HKSAR) under the guidelines of "One Country, Two Systems" and "Hong Kong people administering Hong Kong."**

**Over the past 20 years, Hong Kong has remained a center of international finance, shipping and trade, recognized as the world's freest economy and most competitive region.**

**Following are some facts and figures about Hong Kong over the past two decades.**

Hong Kong successfully weathered the 1997 Asian financial crisis and the international financial crisis in 2008. Over the past five years, Hong Kong's GDP grew more than a nominal 5 percent each year, said Tung Chee-hwa, the first chief executive of the HKSAR.

Over the past 20 years, Hong Kong has

been improving its external ties, and international cooperation on finance and trade. HKSAR passport holders can travel visa-free or visa-on-arrival to more than 150 countries and regions, said Song Ru'an, deputy commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the HKSAR.

Hong Kong has attended about 1,600 international conferences as a member of the Chinese government delegation, and the central government has successfully supported Hong Kong in expanding external exchanges and cooperation, Song said.

In the past 20 years, Hong Kong's stock market capitalization gained by more than seven times, the number of listed companies rose more than twice, and the daily transaction volume went up by more than four times.

The number of mainland enterprises listed in Hong Kong went up by nine times in the past two decades. At the end of 1997,

only 101 enterprises from the mainland were listed in Hong Kong, 15 percent of the total number of listed companies or 20 percent of the market capitalization.

At the end of 2016, 1,002 enterprises from the mainland were listed in Hong Kong, 51 percent of the total number of the listed companies or 63 percent of the market capitalization.

From 2012 to 2017, Hong Kong's economy has seen moderate growth and a receding inflation as the HKSAR government maintained a sound fiscal position; the working population increased in total by 160,000, while the unemployment rate remained at a very low level.

The commissioner's office has been improving mechanisms to safeguard overseas fellow countrymen from Hong Kong. The Central Government has dealt with 12,000 cases related to consular protection of Hong Kong people including about 800 cases in 2016, said Song. (Xinhua)



Helicopters carrying China's national and HKSAR's flags hover above Victoria Harbor on July 1 to mark the 20th anniversary of the establishment of Hong Kong Special Administrative Region (HKSAR). VCG



Zhang Dejiang (L), chairman of the NPC Standing Committee, holds talks with Speaker of Poland's Sejm (Lower House of the Polish Parliament) Marek Kuchcinski, in Warsaw, Poland, July 13. *Ju Peng*

# Zhang Dejiang visits Portugal, Poland and Serbia

**Z**hang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC) paid an official friendly visit to Portugal, Poland and Serbia from July 10 to 19 at the invitation of the Portuguese parliament president Eduardo Ferro Rodrigues, speaker of Poland's Sejm (Lower House of the Polish Parliament) Marek Kuchcinski and Serbian parliament speaker Maja Gojkovic.

## China-Portugal ties enjoy unprecedented high

Relations between China and Portugal are experiencing an unprecedented high as evidenced by strong bilateral cooperation across various fields in recent years, Chairman Zhang Dejiang has said.

Zhang visited Portugal from July 10 to 12 and met with Portuguese leaders on bilateral ties.



During a meeting with Portuguese President Marcelo Rebelo de Sousa, he said China and Portugal are good friends and partners which understand, respect, trust and support each other.

Zhang also said he hoped that the two countries could enhance political mutual trust and strategic coordination while accommodating each other's core interests and major concerns.

China attaches great importance to the development of China-European Union (EU) relations, hoping that Portugal, as a major EU member, could continue to play a constructive role in promoting China-EU relations, Zhang added.

The Portuguese president, for his part, said Portugal is willing to work together with China to seize the opportunity and deepen their cooperation.

The president also said Portugal is ready to follow through on the consensus reached by the leaders of the two countries and implement major bilateral projects in a bid to push the Portugal-China comprehensive strategic partnership to a higher level.

China and Portugal have pledged to deepen cooperation under the Belt and Road Initiative, which refers to the Silk Road Economic Belt and the 21st Century Maritime Silk Road.

Proposed by China in 2013, the initiative aims to build a trade and infrastructure network connecting Asia with Europe and Africa along the ancient trade routes.

Mutually beneficial cooperation between China and Portugal has great potential for the initiative, said Zhang while meeting with Portuguese Prime Minister Antonio Costa.

He noted that Portugal, with its advantageous geographic location, is a strategic partner in the development of the Belt and Road.

Zhang also expressed the hope that Portugal and China could further cooperation under the initiative in order to achieve win-win results.

The Portuguese prime minister, for his part, said Portugal is an active supporter for and participant in the initiative.

Portugal is ready to deepen cooperation with China in such areas as new energy, agricultural products and infrastructure, as well as in culture, education and tourism, Costa said.

Costa added that Portugal welcomes more Chinese enterprises to invest in the country and will provide a fair and convenient business environment for them.

The Chinese legislature and Portuguese parliament should enhance cooperation to keep up with the general pace of bilateral ties, Zhang said during the meeting with his Portuguese counterpart, Eduardo Ferro Rodrigues.

Zhang said China's NPC is willing to join the Portuguese parliament in increasing cooperation between the legislative bodies of the two countries and push forward the China-Portugal comprehensive strategic partnership.

He also called for reinforcing friendly exchanges between the two countries at all levels and expanding people-to-people exchanges.

As Portugal is an important destination country for Chinese investment in Europe, Zhang expressed the hope that Portugal would ensure the legitimate rights of Chinese companies and investors in Portugal.

For his part, Rodrigues said Zhang's visit, the first by a

## **The Belt and Road Initiative aims to build a trade and infrastructure network connecting Asia with Europe and Africa along the ancient trade routes.**

top Chinese legislator to Portugal, has great significance in elevating cooperation between legislative bodies of the two countries and in deepening bilateral ties.

Rodrigues said Portugal regards the visit as an opportunity to strengthen cooperation between special committees and friendly groups of the two countries to promote the development of bilateral friendly relations.

Before the meeting, a Memorandum of Understanding on cooperation between China's NPC and the Portuguese parliament was inked by Zhang and Rodrigues.

## **China, Poland urged to seize opportunity of Belt and Road Initiative for closer cooperation**

Chairman Zhang Dejiang visited Poland between July 12 and July 16, during which he met with Polish President Andrzej Duda, Prime Minister Beata Szydlo and parliamentary leaders.

During his meeting with Duda, Zhang said that traditional friendship between the two peoples is consolidated. In the past two years, President Xi Jinping and Duda exchanged visits and the two nations work to build a comprehensive strategic partnership, which opens a new chapter in the Sino-Polish relations, Zhang said.

China, Zhang said, attaches great importance to developing relations with Poland and regards Poland as an important cooperation partner in the Central and Eastern Europe (CEE) and the European Union (EU).

The two sides should seize the new opportunities generated by the Belt and Road Initiative and "China-CEE 16+1 mechanism", so as to deepen mutually beneficial cooperation in the areas of economy, trade and investment, and to forge ahead with bilateral relations, Zhang said.

Duda praised China's development, saying that his country looks forward to deepening cooperation through construction of Belt and Road Initiative projects, strengthening communication and coordination on international issues, safeguarding common interests and continuously enriching the comprehensive strategic partnership between the two countries.

The Belt and Road Initiative, proposed by China in 2013, refers to the Silk Road Economic Belt and the 21st Century Maritime Silk Road. It aims to build a trade and infrastructure network connecting Asia with Europe and Africa along the ancient trade routes.

The 16+1 mechanism is a platform created in April 2012 by China and 16 Central and Eastern European (CEE) countries.

In his meeting with Prime Minister Beata Szydlo, Zhang

mentioned Szydlo's attendance to the Belt and Road Forum for International Cooperation in Beijing in May, during which leaders of the two countries reached a series of new important consensuses on strengthening China-Poland relations.

Both nations, Zhang said, could make use of existing mechanisms and platforms to deepen infrastructure cooperation, improve service of the China-Europe freight trains and expand new areas of cooperation.

Zhang also said China attaches importance to developing relations with the EU and is willing to work with the EU countries, including Poland, to continually promote the relations between China and the EU.

For her part, Szydlo said the Belt and Road Initiative proposed by President Xi is of great significance to a more balanced and sustainable development of global economy.

Poland is implementing a new development strategy, and would welcome China's participation in Poland's infrastructure construction and closer cooperation in small- and medium-sized enterprises, she said.

During his stay in Warsaw, Zhang also held talks respectively with his Polish counterparts, Stanislaw Karczewski, Marshall of Polish Senate and Marek Kuchcinski, speaker of Poland's Sejm (or Lower House of the Polish Parliament).

Zhang made suggestions on strengthening cooperation between the legislative bodies of the two countries.

He said the legislative bodies should maintain the momentum of friendly exchanges, constantly enhance mutual trust and understanding, and support each other's core interests.

Zhang also called for reinforcing exchanges of experience between the two countries in the area of legislation and supervision, and promoting friendly exchanges in culture, education and tourism.

Karczewski and Kuchcinski agreed that strengthening exchanges and cooperation between the legislative bodies is of great significance to the development of two-way ties.

Polish Senate and Sejm have supported the government to strengthen cooperation with China and are willing to make more efforts in this end.

Zhang and Kuchcinski signed a memorandum of understanding on cooperation between China's NPC and the Polish Sejm.

## **China, Serbia deepen bilateral cooperation**

Chairman Zhang Dejiang and Serbian leaders have agreed to cement bilateral relations and expand cooperation between the two countries.

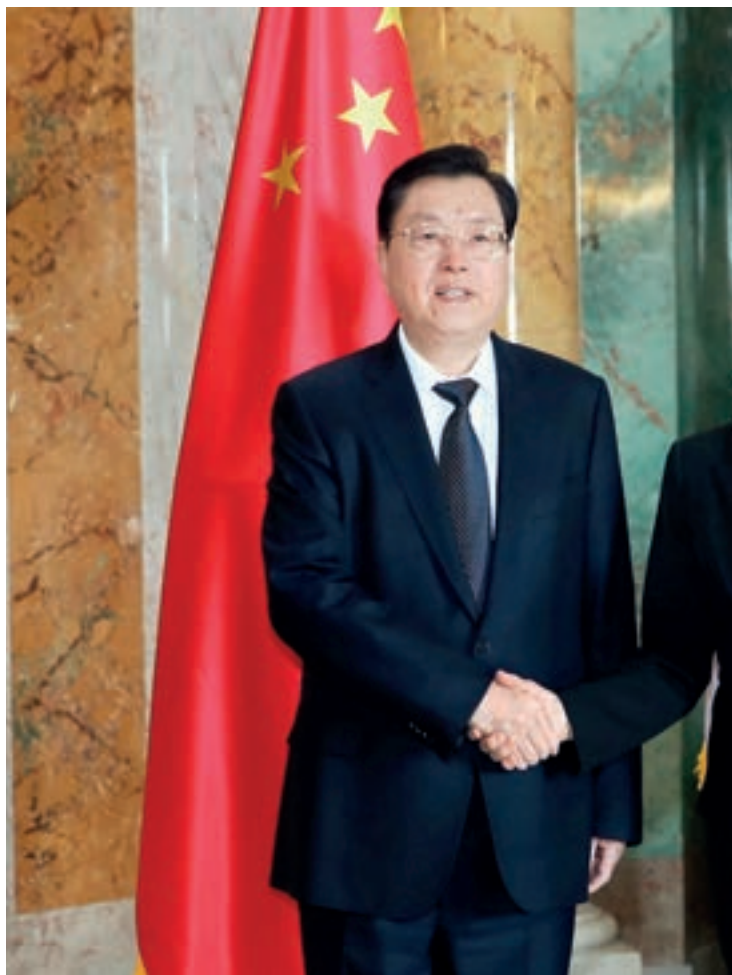
Zhang visited Serbia from July 16 to 18, during which he met with Serbian President Aleksandar Vucic, Parliament Speaker Maja Gojkovic and Prime Minister Ana Brnabic.

During his meeting with Vucic, Zhang first conveyed greetings from President Xi Jinping.

Zhang highly appreciated the long-time friendship cultivated by the two peoples in history. He recalled that the two countries had established comprehensive strategic partnership during Xi's visit to Serbia last year.

The two countries reached a series of important consensuses on deepening bilateral ties and win-win cooperation in May, when Vucic came to Beijing for the Belt and Road Forum for International Cooperation, Zhang said.

The China-Serbia relationship has now entered a new



Zhang Dejiang (L), chairman of the NPC Standing Committee, holds talks with Serbian Parliament Speaker Maja Gojkovic in Belgrade, Serbia, July 16. Ju Peng

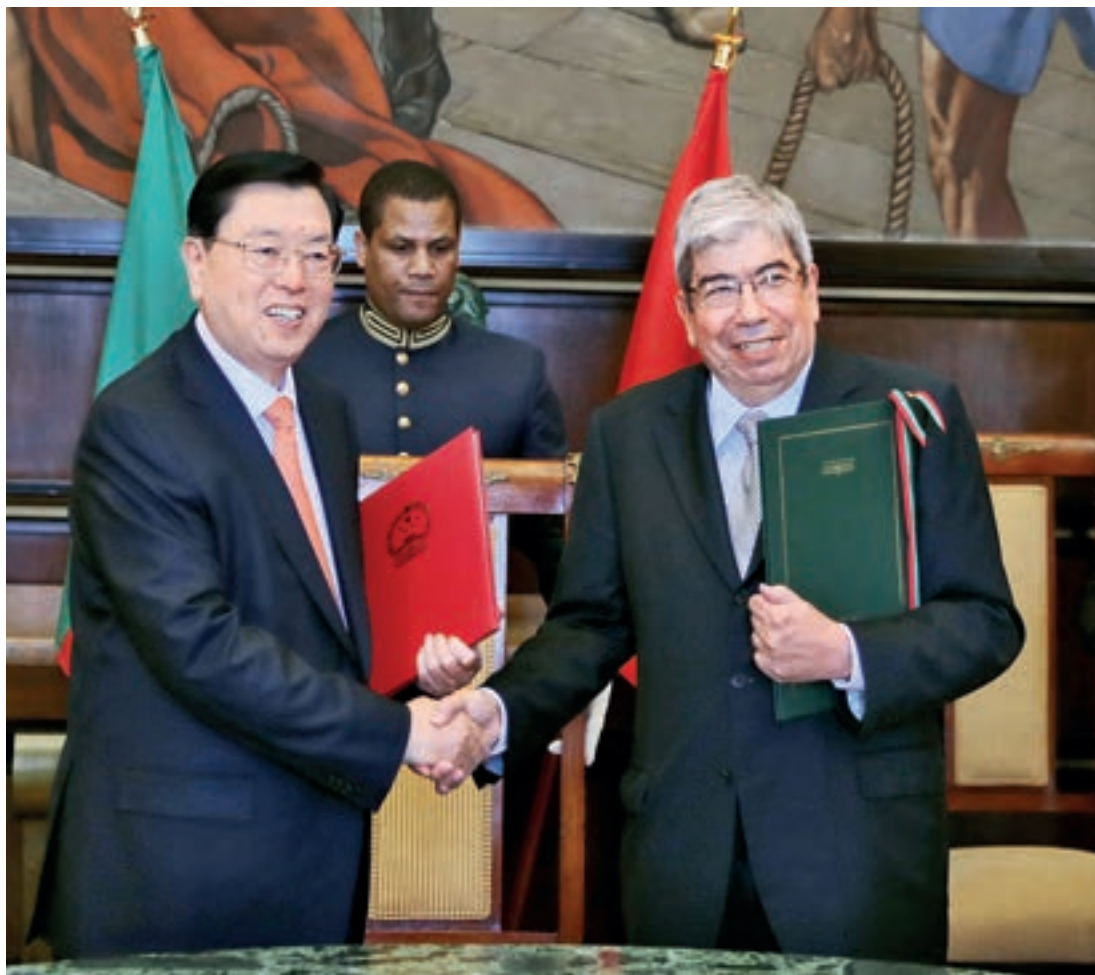
**China is willing to work jointly with the CEE countries to enhance mutually beneficial cooperation within the framework of the Belt and Road Initiative and the CEE-China cooperative mechanism.**

stage with an all-round and high-level development, Zhang stressed.

China regards Serbia as a reliable friend and stands ready to work together with Serbia to strengthen political mutual trust, push forward the win-win cooperation, enhance the friendship of the two peoples and increase communication and coordination over major international and regional issues, said Zhang.

For his part, Vucic asked Zhang to convey his best wishes





**Zhang Dejiang (L), chairman of the NPC Standing Committee, shakes hands with Portuguese Parliament President Eduardo Ferro Rodrigues during the signing of a Memorandum of Understanding on cooperation between China's NPC and the Portuguese Parliament in Lisbon, Portugal, July 11. Ma Zhancheng**

to President Xi, saying that China and Serbia are reliable friends and partners, and the two peoples enjoy a sincere and solid friendship.

The Serbian president also expressed his thanks to China for its unwavering support, and said he will spare no efforts to develop bilateral friendly relationship and promote cooperation between the two countries.

During his meeting with Gojkovic, Zhang said contacts between the two countries' legislative bodies are an important part of the China-Serbia friendly relations.

The NPC is willing to work jointly with the Serbian national legislature to make full use of the advantages of the legislatures to exchange experiences, increase mutual understanding, and contribute to the consolidation and further development of China-Serbia friendship, said Zhang.

For her part, Gojkovic said the Serbian National Assembly attaches great importance to the development of the Serbia-China ties, makes it a priority to discuss and approve government-proposed cooperative deals with China, and has created a favorable legislative environment for mutually beneficial cooperation between the two countries.

During his meeting with Brnabic, Zhang said the two economies are highly complementary and there are many

cases of successful cooperation.

China is willing to work jointly with the Central and Eastern European (CEE) countries, including Serbia, to enhance mutually beneficial cooperation within the framework of the Belt and Road Initiative and the CEE-China cooperative mechanism so as to realize common development, Zhang said.

For her part, Brnabic said the results of Serbia-China cooperation are inspiring and the bilateral cooperation bears great significance for the development of Serbia's economy and the improvement of people's livelihood.

The Serbian government will earnestly implement existing cooperative projects, actively explore new areas for cooperation and better play the role as a bridge between China and CEE countries, the prime minister said.

Zhang also addressed a special session of the Serbian parliament, in which he called for further efforts to lift the bilateral ties to a higher level.

During his stay in Serbia, Zhang also paid homage to the three Chinese journalists killed in the NATO bombing of the Chinese embassy in the Federal Republic of Yugoslavia in May 1999. He also visited a steel mill and a power station, and met with a group of Serbian lawmakers. (Xinhua) ■



Zhang Dejiang, chairman of the NPC Standing Committee, addresses a special session of the Serbian Parliament in Serbia on July 17. *Ju Peng*

# Time-honored friendship heralds future-oriented partnership

## Speech delivered at the National Assembly of Serbia

**Zhang Dejiang**  
Chairman of the Standing Committee of the National People's Congress of China  
(July 17, 2017, Belgrade)

Your Excellency Maja Gojkovic,  
Distinguished Members of the National Assembly,  
Ladies and Gentlemen,  
Dear Friends,  
It is a great pleasure to meet with you at the National Assembly during my visit to Serbia. There is a saying in Serbia,

“good friends are better than brothers”. I feel like visiting friends and relatives when I come to Serbia. On behalf of the National People's Congress of China and in my own name, I would like to extend sincere gratitude and highest respect to members of the National Assembly of Serbia who have been devoted to the friendship between China and Serbia. Please



convey my heartfelt greetings and best wishes to the Serbian people.

As a Chinese saying goes, “seeing is believing”. This is my first visit to Serbia. Right inside this magnificent building of 110 years old, we can feel the charm and glory of Serbian history. For centuries, the Sava River and Danube River have nurtured hard-working and brave Serbian people. It is also on this land that civilizations of the East and the West meet, interact and together bring about major progress in human civilization. The Serbian people have written a heroic epic in their fight for national independence and sovereignty as well as in their pursuit of a happier life through dauntless and persistent efforts. The Nobel Prize winner Andrich and “Father of Alternating Current” Tesla are the pride of Serbia and the world at large because of their outstanding contribution to the progress of human civilization. In recent years, Serbia has made remarkable achievements in economic development, improvement of people’s livelihood, maintaining regional peace and stability by exploring a development path that conforms to its own national condition. When President Aleksandar Vucic swore in the other day, he said that the Serbian people will live a more decent and happier life and the “heart of the Balkans” will be full of vitality. As a true and reliable friend, China is glad to see the progress made by Serbian people and wishes Serbia even greater achievements in national development.

“Sturdy grass withstands high wind; genuine gold stands the test of fire”. The traditional friendship between China and Serbia goes back to a long time ago when our two peoples developed a special bond. During the Second World War, the Chinese and the Yugoslavians fought gallantly against Fascist aggression on the Eastern and Western fronts, making great sacrifices as well as significant contribution. In 1955, China and the Federal People’s Republic of Yugoslavia established diplomatic relations, opening a new chapter of friendship and cooperation between the two countries and the two peoples. At the early stage of China’s reform and opening-up, the successful experience of the Serbian people served as valuable reference for China. Neither will we forget that when the Chinese county of Wenchuan was hit by a massive earthquake in 2008, Serbia offered speedy assistance to China and provided a large amount of relief supplies to the people in the affected areas; in 2014, when Serbia was hit by a catastrophic flood, China provided help within its power. In recent years, the friendship between China and Serbia has continued to grow when the bilateral relations have improved both in terms of depth and scope.

The strategic mutual trust between China and Serbia has deepened. Serbia is the first to establish strategic partnership with China among all countries in the Central and Eastern Europe (CEE). In 2013, Chinese President Xi Jinping and Serbian President Tomislav Nikolic signed a joint statement on deepening China-Serbia strategic partnership, pushing forward bilateral relations in an all-round way. In 2016, President Xi paid a State visit to Serbia, during which the two heads of State decided to promote the bilateral relations to comprehensive strategic partnership, opening a new chapter of friendly cooperation while setting a new example of State-to-State relations between China and CEE countries. This year, President Tomislav Nikolic and President Aleksandar Vucic visited China respectively. President Xi met with them

and important consensus was reached in consolidating traditional friendship and strengthening strategic mutual trust.

With sound operation of mechanisms such as China-Serbia Joint Economic and Trade Committee and Working Group on China-Serbia Production Capacity Cooperation, the bilateral trade and investment has witnessed rapid growth, leading to new breakthroughs of cooperation in areas including production capacity, telecommunication, infrastructure, etc. The bilateral trade volume between China and Serbia amounted to \$590 million in 2016, increased by 8.2 percent while the growth rate of the trade volume from January to April was over 20 percent this year. China has become Serbia’s biggest trade partner in Asia. The Mihajlo Pupin Bridge, as a symbol of friendship between China and Serbia, is the first bridge that Chinese companies have built in Europe. Major projects, such as the Belgrade-Budapest Railway, the E763 Motorway, and the expansion and upgrading of Kostolac Power Plant, are making steady progress and becoming good examples of jointly developing “Belt and Road” between China and CEE countries.

There are also colorful people-to-people exchanges between the two countries. Famous movies like *Walter Defends Sarajevo* and *Bridge* were popular among Chinese people and to this day, *Bella Ciao* is still widely heard in China. The Chinese movie *My Memories of Old Beijing* won Best Film Thinking Award at the 14th International Children’s Film Festival in Belgrade. The two sides have established a series of cooperative mechanisms in culture, education, science and

## The friendship between China and Serbia has continued to grow when the bilateral relations have improved both in terms of depth and scope.

technology in recent years. The two heads of State together laid the cornerstone for China Culture Center in Belgrade in June 2016. Cultural events like Happy Spring Festival and Belgrade Chinese Film Week are welcomed by people of both countries. The University of Belgrade and the University of Novi Sad have opened Confucius Institutes and the Chinese language is now taught in more than 100 middle and primary schools in Serbia. Mutual visa exemption between the two countries took effect on January 15, 2017, the first of its kind between China and CEE countries.

The leapfrog development and fruitful achievements of China-Serbia friendly cooperation are rooted from the principle of mutual respect and support as well as the ideas of longstanding friendship and common development. I look forward to an in-depth exchange of views with leaders and friends of all social circles of Serbia, close and friendly exchanges between our two legislatures, and even brighter future of steady bilateral relations between our two countries.

Ladies and Gentlemen,

Dear Friends,

With over 5,000 years of history and civilization, China

has made outstanding contribution to human society. After entering modern times, Western invasion shove China into a semi-feudal and semi-colonial society, causing unprecedented misery to the Chinese nation. When founded in 1949, the People's Republic of China was one of the poorest countries in the world, with a GDP of only \$18.9 billion and per capita GDP \$35. Sixty years passed, especially since reform and opening-up more than 30 years ago, China has achieved dramatic development. Since the 18th National Congress of CPC held in 2012, the CPC Central Committee with Comrade Xi Jinping at the core, put up efforts to promote balanced economic, political, cultural, social and ecological progress, to push forward coordinated implementation of the Four-Pronged Comprehensive Strategy of building a moderately prosperous society in all respects, deepening reform, advancing the law-based governance of China, and strengthening Party self-governance, and to enhance innovative, coordinated, green, open and shared development. As a result, new economic and social development was made. China's GDP grew to \$11.2 trillion and per capita GDP reached to \$8,000 in 2016.

The international community speaks highly of China's development. Many friends from abroad are interested in China's development concept, path and model, asking me why China is progressing so rapidly. In my opinion, there are mainly three reasons.

First, adhere to the leadership of the Communist Party of China. CPC was born against the backdrop of unparalleled national calamity when the Chinese nation was faced with both domestic trouble and foreign invasion. Although there were only over 50 Party members upon its foundation 96 years ago, the number increased to 89 million as of today. As the ruling party of a country with 1.38 billion people, CPC united and led Chinese people to forge ahead despite hardships and difficulties, making an earthshaking miracle in the history of human society while contributing to the Chinese nation. CPC Leadership is the key to China's development and the happiness of all Chinese people.

Second, adhere to the path of socialism with Chinese characteristics. Based on its national condition and practice, China not only cherished the wisdom of Chinese civilization but also learned from experiences of both the East and the West in seeking a suitable development path. It is proved by practice that this path chosen by the Chinese people is a viable, right and good one that we are confident of.

Third, adhere to the system of people's congresses. We firmly believe that the power of the State belongs to the people, so we make sure that people are the masters of the country. There are five levels of people's congresses in China and over 2.6 million deputies, among which more than 2.5 million, that is 95 percent, are elected directly by around 900 million electorate. We comprehensively promote the rule of law so as to build a socialist country governed by the law. Currently, there are 259 laws, over 700 administrative regulations, and more than 10,000 local laws and regulations, covering all aspects of social life in China. As the fundamental political system of China, the system of people's congresses serves as a solid guarantee for State prosperity, people's happiness and national rejuvenation.

Under the leadership of the CPC Central Committee with Comrade Xi Jinping at its core, the Chinese people are striv-

ing to achieve the two centenary goals and to realize the Chinese Dream of national rejuvenation.

Ladies and Gentlemen,

Dear Friends,

The world today is undergoing profound and complex changes with global economy in deep adjustment and slow recovery, posing grave challenges to development. The Belt and Road Initiative proposed by China brings unprecedented historical opportunity to the world. In a short span of four years, the Initiative has not only turned ideas into actions but also turned beautiful vision into reality. The Belt and Road Forum for International Cooperation was successfully held in Beijing in May. And the speech delivered by President Xi at the opening ceremony was widely appreciated by the international community. A total of 29 State leaders including President Aleksandar Vucic and heads of 3 international organizations attended the Forum together with around 1,500 representatives of more than 130 countries and 70 international organizations. A series of new measures was taken to build synergies in development strategies, to establish Economic Corridor, and to enhance cooperation on major projects among participating countries. In particular, China will scale up financing support for the Belt and Road Initiative by contributing an additional 100 billion yuan to the Silk Road Fund, which will certainly play a positive role in boosting international cooperation, promoting regional economic integrity, and advancing globalization towards a more open and inclusive direction. Although the Belt and Road Initiative originates from China, it belongs to the world. China is ready to work with all countries including Serbia to strengthen international cooperation under the Initiative in order to make new progress and new achievements.

Exchanges between legislatures are important components of State-to-State relations. Looking into the future, the National People's Congress of China stands ready to work with the National Assembly of Serbia and make full use of the distinctive features of our two legislatures in a bid to serve the holistic picture of the bilateral relations, carry out the important consensus reached by our two leaders, achieve national prosperity, and bring benefit to both two countries and two peoples.

First, we need to consolidate political mutual trust and stay as each other's all-weather friends. High-level political relationship is the solid foundation of the continuous development of bilateral relations between China and Serbia. China is willing to further strengthen high level exchanges between the two countries so as to guide the development of bilateral relations from a strategic height. Besides, we should step up exchanges of various levels between governments, parties and localities of the two countries so as to deepen cooperation in all areas. We should firmly support each other on issues concerning the core interests and major concerns and work for a more strategic and comprehensive relationship. China will always respect and support the Serbian people's independent choice of development path as well as Serbia's efforts to safeguard national sovereignty and territorial integrity.

Second, we need to strengthen alignment of our respective development strategies and deepen cooperation in the context of the Belt and Road Initiative. As an important partici-





Serbian National Assembly building in Belgrade *Xinhua*

pant of the Initiative, Serbia is the first Balkan country that signed with China a Memorandum of Understanding. It is hoped that the two countries should jointly carry out consensus reached at the Belt and Road Forum for International Cooperation, facilitate alignment of the Belt and Road Initiative and Serbia's Strategy of Reindustrialization, tap the potential of respective development, and expand converging interests. We should make full use of the high complementarity of our two economies as well as great similarity in our respective development strategy, so as to scale up trade and investment, improve industrial synergy and cooperation, and advance cooperation on major projects including Belgrade-Budapest Railway and HBIS Smederevo Steel Mill. Moreover, we should develop new driving forces for cooperation such as agricultural and financial cooperation while enhance traditional cooperation on energy and transportation infrastructure, in order to realize comprehensive and sustainable development of China-Serbia pragmatic cooperation which can serve as a shining example for cooperation under the Belt and Road Initiative.

Third, we need to play a leading role in deepening "16+1 cooperation". CEE has the biggest development potential in Europe. In recent years, China-CEE relations have maintained a momentum of rapid development with extensive and deepened cooperation. China appreciates Serbia's support and active participation in "16+1 cooperation", especially the successful hosting of Belgrade meeting. We hope that Serbia can play a bigger role in "16+1 cooperation" by making efforts in the operation of "16+1 Infrastructure Cooperation Center" and promoting China-CEE cooperation, providing new growth pole for China-Europe cooperation.

Fourth, we need to consolidate China-Serbia friendship by increasing people-to-people exchanges. Similar history and national character brings China and Serbia close together, providing a solid foundation for lasting bilateral relations be-

tween the two countries. People-to-people exchanges require our common and continuous efforts. The two sides are expected to promote cooperation in the fields of culture, education, science and technology, tourism and sports. We should strengthen exchange of students and encourage tourists to visit both countries in order to increase mutual understanding and pass on traditional friendship from generation to generation.

Fifth, we need to strengthen coordination on regional and international affairs through strategic communication and collaboration. China and Serbia have maintained sound cooperation in international organizations, conducting close coordination on major regional and international issues. The two sides are supposed to further strategic communication and

collaboration on regional and international affairs, facilitate free trade and investment, resolutely oppose trade protectionism, and advocate for open economy; make joint efforts to maintain multilateralism, build a fair and rational international order, and to build a community of shared future for mankind. China understands Serbia's efforts towards EU membership and sincerely hopes that Serbia can be an EU member at an early date.

Ladies and Gentlemen,

Dear Friends,

I, together with Speaker Maja Gojkovic, signed the Memorandum of Understanding on cooperation between the National People's Congress of China and the National Assembly of Serbia yesterday, which provides a new platform for deeper and more effective exchanges and cooperation between our two legislatures. The two sides are expected to increase exchanges between special committees, friendship groups, and working bodies while support and encourage mutual visits between members of the two parliaments, so as to provide wisdom and channel for multi-directional exchanges and cooperation; to exchange views on governance and learn from each other's experience of legislation and supervision while promote policy coordination, alignment of strategy, and mutually beneficial legal environment, so as to ensure sound State-to-State relations.

Our friends from the National Assembly of Serbia present here today are all social elites of great vision. I hope that you can use your influence and make contribution to China-Serbia friendly cooperation and the development of China-Serbia relations.

"Only those who make the greatest efforts can be in the lead". Let us work hand in hand to create an even better future for China-Serbia comprehensive strategic partnership! (NPC) ■





# China's comprehensive moves in advancing rule of law

Picture taken on September 28 shows the erection of huge flowerbeds along the Chang'an Avenue in Beijing to celebrate the 68th anniversary of the founding of the People's Republic of China, which falls on October 1. VCG

**T**he 12th National People's Congress (NPC) and its standing committee have formulated 20 laws and passed 39 decisions to revise 100 laws as of the end of June, data from the NPC showed.

These are part of the achievements China has made to comprehensively advance the rule of law.

In October 2014, the Communist Party of China (CPC) vowed to accelerate the building of a socialist country with rule of law at the Fourth Plenary Session of the 18th CPC Central Committee, laying a solid foundation for the country's lasting stability and peace.

Since then, China has entered a "fast track" in building a country with rule of law, with new laws stipulated or revised to improve the legal system with Chinese characteristics.

## New laws

In 2014, the central leadership decided to compile the General Provisions of the Civil Law – a crucial first step in

developing the civil code.

The law, a key move in building China into a moderately prosperous society by 2020, aims to regulate civil activities and modernize State governance. General Provisions were adopted at the fifth annual session of the 12th NPC early this year and will be enacted on October 1.

In November 2016, the NPC Standing Committee issued the Interpretation of the Basic Law of Hong Kong Special Administrative Region (SAR) in response to disagreements on the provisions of the Basic Law in Hong Kong, which had affected the implementation of the Basic Law and the "One Country, Two Systems" principle.

The interpretation underscores the authority of the Basic Law and the rule of law in Hong Kong.

Moreover, the Air Pollution Prevention and Control Law was revised in 2015, adding a new chapter on dealing with smoggy days and stipulating the establishment of a monitoring and early warning system for heavily polluted days.

The system of reeducation through labor was abolished in





**China has entered a 'fast track' in building a country with rule of law, with new laws stipulated or revised to improve the legal system with Chinese characteristics.**

2013, showing improvements and progress in judicial protection of human rights.

### **Judicial justice**

As wrongful convictions are a disgrace to justice, China's judicial authorities have pledged to learn from past lessons and prevent such cases.

During the term of the 18th CPC Central Committee, judicial organs have redressed 34 major wrong or mishandled cases, highlighting the case of Nie Shubin.

Nie was executed in 1995 for raping and murdering a woman on the outskirts of Shijiazhuang City in north China. The second circuit court under the Supreme People's Court revoked his previous verdict last year, ruling that the conviction had been based on insufficient evidence and unclear facts.

To improve judicial justice and credibility, measures for letting judges assume lifelong responsibility for cases they handle and holding them accountable for any miscarriage of justice were outlined at the Fourth Plenary Session of the 18th CPC Central Committee.

These measures require officials to shoulder more responsibility, preventing them from making wrong judgements.

### **Strict Party governance**

In the past five years, the CPC Central Committee has formulated or revised nearly 80 Party regulations, accounting for more than 40 percent of existing regulations.

The key to strict Party governance relies on a "key few" officials, referring to leading officials at the central, provincial and local levels.

The Central Commission for Discipline Inspection of the CPC has probed officials, from low-level "flies" to high-ranking "tigers," since the current leadership took office in late 2012 and announced a high-profile anti-graft crackdown.

Among the tigers felled in the campaign were Zhou Yongkang, a former member of the Standing Committee of the Political Bureau of the CPC Central Committee; Bo Xilai, former Party chief of Chongqing Municipality; Xu Caihou and Guo Boxiong, both former top generals and vice chairmen of the Central Military Commission; and Ling Jihua and Su Rong, former vice chairmen of China's top political advisory body.

The handling of these cases demonstrates that all people are equal before Party regulations, and the enforcement of such rules allows no privilege or exception. (Xinhua) ■



Jin Xiaoxian (R), a juror from Hong Kong, raises questions to a lawyer during a bankruptcy case in Shenzhen, Guangdong Province on June 26. A total of 13 Hong Kong jurors were invited to participate court hearings related with overseas investors in Shenzhen's Qianhai area. Mao Siqian



A cadre from Nanying Village in Zouping County, Shandong Province reads and explains legal knowledge to children on August 18. VCG

# Laudable progress in advancing rule of law

By Yang Junfeng

**T**he Fourth Plenary Session of the 18th Central Committee of the Communist Party of China in October 2014 decided to advance the rule of law in an all-round way. The decision is regarded as the road map for the comprehensive advancement of the rule of law under the leadership of the Party with Comrade Xi Jinping as its core.

The highlights of the decision include deepening the litigation system reform with the focus on trials, and imple-

menting the accountability mechanism to track cases and rectify erroneous court verdicts. So the establishment of circuit courts and the Intellectual Property Court by the Supreme People's Court should be seen as part of the legal reform.

Besides, legal education has been included in the national education system, and promotion of the rule of law made a yardstick to measure officials' political performance. Also, the State Council, China's Cabinet, issued a regulation



in December 2016 that says local leading officials and Party leaders should be primarily responsible for advancing the rule of law, and their performance in this regard should be taken into consideration for their promotion. As a result, the local leading officials and Party leaders are not only focusing on GDP growth but also attaching great importance to advancing the rule of law.

The revision of the Legislation Law in 2015, which focused on the principle of law reservation, is a highlight of the promotion of the rule of law. The principle of law reservation means only the legislatures, not other bodies, can enact laws related to individual rights. The revision also strengthens the principle of statutory taxation, and forbids administrative rules and regulations to infringe individual rights.

The establishment of the National Constitution Day and a Constitution oath system is also worth mentioning, because they will enhance the importance of the Constitution.

Moreover, the revision of Administrative Procedure Law, the first since it was enacted in 1989, will make it less difficult for citizens to sue officials who fail to fulfill their official duties. And the General Provisions of Civil Law, which will come into force on October 1, will start the process of enacting a comprehensive civil code. Another major legal reform is the abolition of the “reeducation through labor” system.

The most significant institutional reform in China since the 18th National Party Congress is the launching of the national supervision system reform in November 2016, which is aimed at changing the long-standing basic Constitution system of “the government and the Supreme People’s Court as well as the Supreme People’s Procuratorate” to “the government, the Supreme People’s Court and the Supreme People’s Procuratorate, as well as a National Supervision Committee”. It is the biggest administrative adjustment aimed at strengthening the supervision of public power.

The supervision system reform mainly focuses on three aspects. First is to integrate the different supervision mechanisms into a unified whole. Second is to hand over the national supervision authority to the National Supervision Committee. And third is to establish a special, unified and authorized national supervision organization, which will join hands with the Party’s discipline inspection authority to jointly deal with relevant cases, in order to decrease legal disputes over supervision work.

The reforms of the past five years have helped build the basic framework of judicial reform. Judicial reform measures aimed at reducing litigation costs, including a case-filing system, have been introduced. As such, judicial service quality, and judicial efficiency and credibility have greatly increased.

In particular, several significant erroneous court verdicts, such as the one against Nie Shubin who was executed after being convicted of the rape and murder of a woman in North China’s Hebei province in 1995, have been corrected.

The road to the establishment of a comprehensive rule of law is long, but China has already made great progress on that road. (China Daily) ■

*(The author is a research scholar at the School of Law, People’s Public Security University of China.)*



A gardener trims plants at a local park dedicated to legal culture in Handian Township, Zouping County, Shandong Province on August 19. Dong Naide

**The local leading officials and Party leaders are not only focusing on GDP growth but also attaching great importance to advancing the rule of law.**



A staff worker from the fifth circuit court under the Supreme People’s Court explains legal knowledge to a local resident. Chen Chao



Zhang Dejiang, chairman of the NPC Standing Committee, visits Chenzhou Yangtao Environmental Technology Co., Ltd. in Chenzhou City of Hunan Province, August 14. Zhang made an inspection tour in Hunan Province from August 14 to 16 to inspect solid waste management. *Li Tao*

# Solid waste control stressed

By Zheng Jinran

**C**hina needs to prioritize the tackling of solid waste pollution and strengthen supervision over implementation of related law, the country's top legislature said on September 19.

The Standing Committee of the National People's Congress conducted inspections this year on the enforcement of the law on solid waste pollution for the first time since 2005, when the revised law took effect. The inspections were finished by the end of August.

Inspection teams headed by top national legislators including Zhang Dejiang, chairman of the NPC Standing Committee, visited 10 areas including Tianjin, Shanxi and Jiangsu provinces. Legislators and leaders of the ministries involved discussed the results at a meeting on September 19.

Zhang acknowledged achievements in preventing and tackling solid waste nationwide in recent years. The teams also found problems that cause environmental and health risks, he said.





Zhang Dejiang (7th L), chairman of the NPC Standing Committee, presides over a meeting of the NPC Standing Committee, during which legislators reviewed a draft inspection report on law enforcement, in Beijing, September 19. *Sheng Jiapeng*



Zhang Dejiang, chairman of the NPC Standing Committee, visits Hunan Brup Recycling Technology Co., Ltd. in Changsha, Hunan Province, August 15. *Li Tao*



Zhang Dejiang, chairman of the NPC Standing Committee, checks the work of domestic garbage classification and management at Xiaoying Village in Hanzhong, Shaanxi Province, June 6. *Zhang Duo*

Problems arise from the large quantity of solid waste, from industrial and agricultural sources, inspections showed.

"Solid waste controls should be given priority, along with other pollution reduction efforts," Zhang said, because it is closely linked with air, water and soil pollution.

The national legislative body will urge governments to enforce the law, he said, since the inspections' results suggest that governments need to improve their procedures to make the prevention efforts work efficiently and scientifically.

Shanxi, one of the inspected provinces, has strengthened controls in reducing solid waste by building more plants to process industrial waste, helping the province, China's coal heartland, improve its environmental quality.

"In 2016, 66.1 percent of the solid waste from industrial production, like fly ash and coal refuse, has been processed, for an increase of 44.1 percentage points over the level in

2005, when the revised law took effect," said He Tiancai, vice-governor of Shanxi, in a briefing about the control efforts a week ago.

Over 123 million metric tons of solid waste was processed last year in multiple ways, said Zhang Zhanxiang, deputy director of the Shanxi Provincial Economic and Information Committee.

For example, fly ash, mainly discharged from coal-fired power plants, has been used to make construction materials like autoclaved bricks and cement, Zhang Zhanxiang said. He added that cement production could consume 9 to 11 million tons annually.

Shanxi plans to increase the processing rate for solid waste to 70 percent by the end of 2020 in order to tackle the pollution from solid waste and protect human health, He, the vice-governor, said. (China Daily) ■

# Solid waste imports face stricter controls in boost to environment

By Zhang Yue

China has been among the world top exporters and importers for years. But standards remain high and the country has recently come out with a document that announces the banning of certain types of imports. "Foreign garbage", environmentally hazardous solid waste, will be entirely banned from entering China by the end of next year along with stricter management on solid waste imports.

Imports of environmentally hazardous solid waste to China, divided into 24 main categories, will end by the end of 2017, and imports of solid waste that can be replaced by domestic resources will end by 2019, the State Council, China's Cabinet, announced on July 27.

The banned categories include waste paper, plastics as well as raw textile materials.

"There has been related regulation and legislation on the banning of solid waste already, but this time the guideline is a much more comprehensive one which will see more regulations," said Liu Hua, director of the pollution prevention program at Greenpeace's Beijing office.

China started to import solid waste from 1980, when the country was still running as a

planned economy and there was a lack of a variety of productive resources.

As the country gradually developed its market economy and robust growth became the norm, along with reform and opening-up, China has become self-dependent in many sectors of resources, and the government has been improving the regulatory system in defining the exact types of solid waste that can be imported to China due to environmental concerns.

Imported waste still exists in some major industries, such as paper making. And the main reason is due to comparatively lower prices, Liu said.

Zhou Hongchun, a researcher on social development at the Development and Research Center under the State Council, said during an interview with China Economic News that there are still a large number of private companies illegally importing solid waste.

He said that the imported solid waste, in most cases, often mingles with other waste, and this can pose a severe threat to the environment.

Figures from the Ministry of Environmental

Protection show that last year the amount of solid waste that China imported accounted for about 56 percent of the total amount of solid waste produced globally.

Most of this waste was from developed countries. Statistics also show that more than 90 percent of solid waste produced around the globe is sold to developing countries.

According to the new plan, by the end of 2019, the country will phase out imports of solid waste that can be replaced by domestic resources.

At the same time, international cooperation on returning the garbage will be enhanced.

"Imports of solid waste that can be hazardous are now imported into China both legally and illegally, and both channels will more or less harm people's health and the environment," Liu, from Greenpeace in Beijing, said.

"If these wastes are imported in legal channels that means it will go through a series of processes when imported, and will harm people's health during the process. And if this waste is imported illegally, that means it does not even go through the necessary processing."

The release of the new guideline came after China notified the World Trade Organization on July 18 that it will ban imports of solid waste, including waste plastics, unsorted scrap paper, discarded textiles and vanadium slag by the end of 2017.

Border controls on "foreign garbage" will be intensified, and severe punishments will be imposed on the reselling and illegal processing of imported waste.

There is still some illegal smuggling of "foreign garbage" into China for profit, especially in certain industries.

"This is mainly because imported waste is still at a lower price compared to domestic raw materials," Liu said.

He suggested the adoption of a more effective approach to improve the garbage classification status in China.

Figures from the Ministry of Environmental Protection show that in 2015, a total of 185.6 million metric tons of household garbage was produced from large and medium-sized cities in China.

"Most of this garbage is not well classified and was not reused. If garbage classification can be improved, the amount of waste that can be reused will greatly increase," Liu said. (China Daily)



VCG





Zhang Dejiang, chairman of the NPC Standing Committee, attends the special inquiry on poverty alleviation conducted by the 29th meeting of the 12th NPC Standing Committee on August 30. *Liu Zhen*

# Joint efforts to lift all poor people out of poverty by 2020

## NPC Standing Committee organizes special inquiry on poverty alleviation

“What specific measures have been taken to cultivate the leading industries, improve organization and build up the collective economy in poverty-stricken areas?”

“My question is how to solve the institutional problems on the rural financial service, with providing targeted financial measures as a starting point.”

“What measures will the government take to bridge those preferential policies on poverty alleviation in ethnic minority areas and the ones on providing medical services to the impoverished?”

.....

These were some of the questions raised by legislators on the special inquiry on poverty alleviation organized by the NPC Standing Committee. They were impressed by the frank

and honest answers to the questions which went right to the point.

On the afternoon of August 30, at the Golden Hall of the Great Hall of the People in Beijing, a special inquiry in the form of plenary meeting in the 29th meeting of the 12th NPC Standing Committee was held, as part of its deliberation on the work report of poverty alleviation delivered by the State Council. Zhang Dejiang, chairman of the NPC Standing Committee, attended the meeting. Ji Bingxuan, vice chairman of the NPC Standing Committee, presided over the meeting. The participants were mainly from the State Council including Wang Yang, vice premier of the State Council; He Lifeng, minister in charge of the National Development and Reform Commission; Chen Baosheng, minister of Education; Bartel, minister in charge of the State Ethnic Affairs Commission;

Huang Shuxian, minister of Civil Affairs; Xiao Jie, minister of Finance; Han Changfu, minister of Agriculture; Li Bin, minister in charge of the National Health and Family Planning Commission; Liu Yongfu, minister in charge of the State Council Leading Group Office of Poverty Alleviation and Development; Jiang Zelin, deputy secretary general of the State Council; Shi Yugang, deputy director general of the State Ethnic Affairs Commission; and Yi Gang, deputy governor of the People's Bank of China.

## **We have the confidence to win the campaign in 2020**

“What are the hardest difficulties and problems in the work of poverty alleviation? How can we effectively get those difficulties and problems solved so as to ensure the goal of poverty eradication be accomplished successfully?” The first question was raised by Chen Guangguo, member of the NPC Standing Committee and vice chairman of the NPC Agriculture and Rural Affairs Committee.

Wang Yang said that the special inquiry is an important method for the NPC Standing Committee to oversee the work of the State Council and its departments, and also an effective measure to support and help the State Council to do a better job. The State Council takes part in the inquiry in a sincere and serious manner. Since the 18th CPC National Congress, the Central Committee of the Party with Comrade Xi Jinping at the core have put poverty alleviation top on the agenda and launched the anti-poverty campaign. The NPC attaches great importance to poverty alleviation. Chairman Zhang Dejiang has made important instructions during his investigations on poverty alleviation. The 12th NPC Standing Committee twice listened to and deliberated on the work report on poverty alleviation by the State Council, which is not only an overhaul of the implementation of the CPC Central Committee's policies, but also a considerable boon to the work of poverty eradication. In recent years, the whole Party and the whole society have made unprecedented efforts and achieved remarkable results. Meanwhile, the remaining difficulties and problems are still considerable and also very hard to overcome.

“What is the most difficult problem? It differs across the country. As a whole, I personally believe that solving the problem of spiritual deprivation is more difficult than solving the material one, and how to change centuries-old backward mindsets and customs is more difficult than solving the problem of poverty itself. There are difficulties in the process of poverty alleviation, among which the most difficult one is that some people ‘are not afraid of poverty’. When asked to relocate, they fear they could not get accustomed to the new environment. When given the opportunity to a new trade, they fear they could not learn the new skill. Even for the employment opportunity outside their hometown, they would complain working from 9 am to 5 pm each day burdensome. The last thing they fear is sticking to their old way of life and living in poverty,” said Wang.

As to how to effectively solve the difficulties and problems, including how to solve the problem of the lack of vitality among some poor people, Wang said that the most fundamental and important measure is to give full play to our political and institutional advantages, and rely on the orga-



The 29th meeting of the 12th NPC Standing Committee conducts a special inquiry on poverty alleviation at the Great Hall of the People on August 30. *Liu Zhen*

## **Since the 18th CPC National Congress, the Central Committee of the Party with Comrade Xi Jinping at the core have put poverty alleviation top on the agenda and launched the anti-poverty campaign.**

nization system, mobilization capacity and cadre team under the leadership of the Party. At the initial stage, we should try hard to achieve solid results in helping the poor to transform their backward mindset. In this respect, there are some positive explorations across the country. The situation varies from place to place, therefore the approach overall is to take targeted measures to solve different problems under different conditions. To eradicate poverty by the current standard before 2020 is our Party's solemn commitment both at home and abroad, and we are confident that we will get it accomplished in 2020.

## **Targeted measures to ensure industrial poverty alleviation achieve solid results**

Guo Gengmao, vice chairman of the Agriculture and Rural Affairs Committee of the NPC, said that industrial poverty alleviation is a fundamental measure. However, there exist some problems. For example, some places tend to choose similar industrial projects with inadequate organizations which are exposed to considerable market risks. Guo asked what are the specific measures having been taken to nurture leading industries, lift up their organizational level and strengthen the collective economy.



Han Changfu said that in some poverty-stricken areas there do exist some problems in industrial poverty alleviation, including developing homogenized industries, disconnection between production and sales, loose link between leading enterprises and poor families, etc. According to Han, next step the Ministry of Agriculture will guide poor areas to take their differentiated comparative advantages, create regional brands, produce marketable agricultural products, avoid homogeneous competition, and help broaden sales channels by promoting a long-term and stable production-to-sales chain between wholesale markets, distributors, large supermarkets and the impoverished areas. The Ministry of Agriculture will also help nurture family farming and farming cooperatives, introduce more leading enterprises that can effectively organize the impoverished families, strengthen the key and common technology research and development, and conduct technological training. The Ministry of Agriculture will work with the Ministry of Finance and other departments to promote models like share cooperation, order support and production trusteeship to guide the local governments to turn the financial aid into shares which can bring dividends to the impoverished families.

Liu Yongfu said that industrial poverty alleviation is a fundamental and long-term strategy since poverty can only be overcome by the increase of income. Firstly, we should identify the real poor families. Secondly, we should provide policy support and work guidance. Third, enterprises shall fulfill their social responsibilities. In the process of industrial poverty alleviation, the mechanism of the rich helping the poor should be established step by step.

### **Ensure financial targeted poverty-alleviating measures play a big role**

Liu Zhenwei, member of the NPC Standing Committee and vice chairman of the Agriculture and Rural Affairs Committee of the NPC, said that providing financial targeted service can play a big role in poverty alleviation. He asked how to implement the requirements of “financial targeted poverty alleviation” put forward by the CPC Central Committee in the impoverished areas and expand good practices into the whole rural financial services.

Yi Gang said that the People’s Bank of China has in recent years strengthened the work of financial targeted poverty alleviation in accordance with the decisions and arrangements by the CPC Central Committee and the State Council. Firstly, establish a sound financial system of organization. In China, almost every county has a rural credit cooperative. What the Bank has been doing is to keep the legal person status of rural credit cooperatives stable and avoid them to be merged into big banks, so that rural credit cooperatives can focus on providing financial services to the villagers and poor families. Second, strengthen information sharing and statistical monitoring. The Bank has set up a special information system through which the basic information of poor families collected by the government is transferred to financial agencies. Third, develop financial products that suit the development of poverty-stricken areas. Fourth, do a good job in capital raising. The Bank has designed a special load supporting the relocation of poor families. Fifth, in order to solve the

problem of the sustainability of financial targeted measures in poverty alleviation, the Bank has been actively pressing ahead with the risk sharing mechanism of relevant loan products. Sixth, improve the financial infrastructure in poverty-stricken areas, including expanding the network of financial agencies in rural areas.

Yi stressed that the People’s Bank of China will continue to strengthen the relevant work in accordance with the deployment of the CPC Central Committee and the State Council, improve the efficiency of financial services in poverty-stricken areas in a sustainable manner, and ensure targeted financing play a big role in poverty alleviation. Based on this, the Bank will expand the successful experiences and practices into the whole rural areas so as to solve the institutional problems in rural financial services.

### **Promote education in those impoverished ethnic minority areas**

Du Deyin, vice chairman of the Ethnic Affairs Committee of the NPC, said that education for poverty alleviation is an effective way to eliminate poverty and to prevent intergenerational transmission of poverty. In ethnic minority areas, however, there suffers inadequate supply of educational infrastructure and faculty. Du asked what measures having been taken to develop ethnic education and improve the quality of education in ethnic minority areas.

Chen Baosheng said that the Ministry of Education has implemented a project of reconstruction of school facilities in the rural areas, the impoverished areas, and especially the ethnic minority areas. In ethnic minority areas more than 310 schools have been set up with the input of a fund of over 7 billion yuan. With the implementation of a series of projects, great transformation has taken place in the middle schools in ethnic minority areas, and the education infrastructure in poor areas have been greatly improved, especially in school building, teaching facilities and equipment. Meanwhile, great importance has been attached to the build-up of teaching faculty in ethnic areas. The Ministry of Education has sent 270,000 teachers to ethnic areas and trained 500,000 teachers of ethnic areas annually.

As to developing education for the purpose of poverty alleviation, Chen said that the Ministry of Education have taken measures to promote vocational education and set up a batch of vocational middle schools in poor and ethnic minority areas. Now 15-year compulsory education has been provided in Tibet and the junction area linking Sichuan, Gansu and Qinghai provinces, and 14-year compulsory education has been provided in southern Xinjiang.

### **Establish the mechanism of ecological compensation to promote poverty alleviation**

Wu Shimin, vice chairman of the Ethnic Affairs Committee of the NPC, asked what measures will be taken to strike a balance between the protection and development in ethnic minority areas where the farmers and herdsmen can be compensated.

He Lifeng answered that the National Development and Reform Commission and other relevant departments have

## The Ministry of Finance will further improve the system of the transfer payments to achieve the win-win situation between ecological protection and poverty alleviation.

continued to strengthen the ecological compensation for poverty alleviation. For example, in the construction of big ecological projects including returning farmland to forest and grassland, the protection of forest resources, and the key shelter system of man-made forests, it is clearly stipulated that priority should be given to poverty-stricken areas, and more than 80 percent of returning farmland to forest and grassland should be deployed in the poor areas.

Xiao Jie said that the Ministry of Finance has actively increased the investment in the field of ecological compensation. Starting from 2008, the transfer payments to the national key ecological areas have been set up, and the scope of the transfer payments have been expanded step by step. The Ministry of Finance will further improve the system of the transfer payments to achieve the win-win situation between ecological protection and poverty alleviation.

## Improve the medical system for the rural poor people

Tang Shili, member of the NPC Standing Committee, pointed out that in rural areas, major diseases, both chronic and endemic diseases are the main causes of poverty. She asked whether there is a unified plan for bridging the various health care policies and how to implement the assistance policy for the rural people suffering from serious illness.

Li Bin answered that currently the new rural cooperative medical system, the medical insurance for major diseases and the system of medical assistance have covered all the rural poor people. The preferential policy has taken into effect, for example, the reimbursement rate for the rural poor people increased by 5 percent. Based on the above measures, supplementary insurance, financial subsidy and social assistance have been resorted to reduce the ratio of payments by the impoverished people themselves.

According to Huang Shuxian, for ultra-low-income people and specially poor people, the proportion receiving assistance within the scope of policy has reached to 70 percent, and one-stop-real-time settlement mechanism has been established in 93 percent of the country.

At the end of the inquiry, Ji Bingxuan stressed that the departments of the State Council should thoroughly study the questions and suggestions raised in the deliberation and provide a feedback to the NPC Standing Committee on time. The Agriculture and Rural Affairs Committee of the NPC and the Ethnic Affairs Committee of the NPC shall strengthen follow-up supervision to ensure the goal of poverty eradication be accomplished on schedule. (NPC) ■



Wu Honghua, a Dong ethnic girl from Zhanli Village of Congjiang County in Guizhou Province, shows the carp she captured on September 12. *Wu Dejun*

# Eliminating poverty, the Chinese way

President Xi Jinping has a history of working to alleviate poverty. He personally led a campaign to end poverty in Ningde Prefecture, southeastern China's Fujian Province, as early as 1988, and is now leading China toward a poverty-free future.

"The weak birds must start earlier than others," Xi, then-secretary of Communist Party of China (CPC) Ningde Prefectural Committee, told local officials, according to the full text of his remarks at a symposium on poverty relief in north China's Shanxi Province on June 23, which was made public on August 31.

Confident that "constant drops wear away a stone," Xi led local people to work incessantly to alleviate poverty in the prefecture.

Some of Xi's speeches in Ningde were later compiled into a book titled "Up and Out of Poverty," which analysts said





**Top:** An aerial photo shows a mountainous road zigzagging into the Kanzishan Village in Yunxi County, Hubei Province.  
**Above:** Wei Dengdian (R), Party secretary of Kanzishan Village, inspects the construction site of the road that leads to the village. *Photos by Xiong Qi*

could serve as a general guide on China's experience in poverty alleviation.

Ningde was not the only "weak bird" that strived to catch up with others. At the end of 2016, more than 43 million people, or about 3 percent of China's population, lived under the country's poverty line of 2,300 yuan (\$349) of annual income in 2010 constant prices.

China's top leadership has remained aware of the arduous task they are facing. Since becoming the general secretary of the CPC Central Committee in 2012, Xi has placed poverty alleviation on top of the CPC agenda and called it "the baseline task for building a moderately prosperous society," which the country strives to achieve by 2020.

At the symposium in Shanxi, Xi sat down with Party officials from provincial to county levels, discussing ways they could help the "weakest birds" get a head start.

"Eradicating poverty has always been a tough battle, while eradicating poverty in extremely poor areas is the hardest fight of all," Xi said.

Fortunately, China's finest are taking the frontline in the fight to eradicate poverty. By the end of 2016, about 775,000 officials had been sent to rural areas to design tailored poverty relief programs for and with the local communities.

The banks followed. As of the end of 2016, outstanding loans from financial institutions for poverty alleviation totaled 2.5 trillion yuan, with 818.1 billion yuan in new loans in 2016.

From 2013 to 2016, 55.64 million rural people, or more than 10 million each year, were lifted out of poverty in China.

Figures aside, benefits have been seen and not just in terms of money. An example cited by Xi was a village in central China's Hunan Province where men had difficulty finding wives because the poverty of the village was well-known. Following improvements to the local economy, 20 single men were married and their wives joined them to begin a new life in the village.

To realize the ambitious goal of eradicating poverty by 2020, China still needs to lift more than 10 million people out of poverty every year.

Creating jobs or offering training will not work so well for many of those who remain in poverty – particularly the old, the sick, and the disabled. In response, China has decided to take the time to patiently work with the poor on a case-by-case basis.

In its essence, this precision poverty relief adopts varied policies to different regions according to their needs. For those living in remote areas with few natural resources, the government has offered assistance to relocate; for people in ecologically fragile areas, the government has provided compensation; for the sick and the disabled, the government has increased local medical care.

"Our experiences have proven that abject poverty is not formidable. As long as we pay great attention, think correctly, take effective measures, and work in a down-to-earth way, abject poverty is absolutely conquerable," Xi said.

What sounds like a tall order is becoming reality step by step. Chinese leaders are pragmatic enough to set reasonable goals, which make sure that the rural poor will at least have food to eat, clothes to wear, and places to live in by 2020.

After all, it is a vision that the CPC has always wanted to realize since the very beginning of its founding – when China prospers, it will leave no one behind. (Xinhua) ■

# China lifts 13.9 million people out of poverty each year



Tourists visit a tea garden in Xuan'en County, Hubei Province on March 2. Local farmers can earn an additional 5,000 yuan per mu (667 square meters) of income after the county launched a targeted poverty alleviation program to push forward special tourism of tea culture. *Song Wen*

China lifted an average of 13.9 million people out of poverty each year from 2012 to 2016, and the annual per capita income in impoverished rural areas has grown 10.7 percent every year, according to a report from the State Council on August 29.

The report on poverty relief work was delivered by Liu Yongfu on behalf of the State Council at the 29th meeting of the National People's Congress (NPC) Standing Committee.

Zhang Dejiang, chairman of the NPC Standing Committee, attended the meeting.

"The State Council has always put a lot of effort into poverty relief. The government work reports in the past four years all promised to lift at least 10 million out of poverty," said Liu, minister in charge of the State Council Leading Group Office of Poverty Alleviation and Development.

From 1978 to 2016, about 730 million Chinese people has been lifted out of poverty.

China has set 2020 as the target year to complete the building of a moderately prosperous society, which requires the eradication of poverty.

As of the end of 2016, there were 43.35 million people in China living below the country's poverty line of 2,300 yuan (\$348.9) of annual income as constant with 2010 prices, accounting for about 3 percent of China's population.

To achieve the target, China needs to bring more than 10 million people out of poverty every year, meaning nearly one million people per month or 20 people per minute.

According to global experience, the most difficult phase in poverty eradication is when the population living in poverty accounts for less than 10 percent of the overall population.

"The task has become more difficult and costly as the process approaches its end," said Liu.

The report pointed out that 775,000 officials have been sent to impoverished areas for poverty relief work.

The Central Government's spending on the cause had increased from 39.4 billion yuan in 2013 to 86.1 billion yuan in 2017, the report noted.

China has also established a national database collecting information of impoverished people since 2014, said the report.

The database records the distribution of impoverished population, the reasons for poverty and the needs of impoverished people.

Liu said 2017 is an important year to achieve the target and promised to "work together to conquer the difficulties in this battle against poverty." (Xinhua) ■





People perform at the ceremony marking the 70th anniversary of the foundation of Inner Mongolia Autonomous Region in Hohhot on August 8. *Ren Junchuan*

# On the wings of modernization

Inner Mongolia Autonomous Region marks the 70th anniversary of its foundation

By Yuan Yuan

**A**n express train departed slowly from Hohhot, capital city of Inner Mongolia Autonomous Region, at 10:18 a.m. on August 3, heading for Ulanqab, another city in the Region.

The train, running at a speed of up to 250 km per hour, was the first high-speed train in the region and it reduced the rail journey time between the two places from over one hour to 40 minutes.

The rail link is part of a longer line which in 2018 will extend eastward to Zhangjiakou, the co-host city of the 2022 Winter Olympics, in Hebei Province.

## Ethnic autonomy

The train was put into operation five days before the ceremony celebrating the 70th anniversary of the Region's foundation.

From April 23 to May 3 in 1947, under the leadership of the Communist Party of China (CPC), a people's congress was held in Ulanhot of Inner Mongolia, and May 1 was set as the date for the region's foundation.

Inner Mongolia was the first provincial-level ethnic autonomous region to be established in China. The aim was to cre-

ate equality, solidarity and common prosperity for all ethnic groups, and regional ethnic autonomy was also subsequently implemented in Xinjiang, Tibet, Ningxia and Guangxi.

Inner Mongolia has 55 ethnic groups and a total population of about 25 million people, of whom one fifth are ethnic Mongolians. The autonomous region occupies 12 percent of China's land, lies adjacent to eight other provincial regions and borders Russia and Mongolia to the north.

"The successful example set by Inner Mongolia proves that regional ethnic autonomy is the choice suitable for China," said Yu Zhengsheng, chairman of the National Committee of the Chinese People's Political Consultative Conference, the nation's top political advisory body, at the ceremony marking the 70th anniversary held in Hohhot on August 8.

"The system is a base for a harmonious society and other ethnic policies of our country. Based on the premise of following national policies and keeping national unity, it can handle special issues of ethnic regions, like protection of local cultures," Yu added.

"The implementation of the policy of regional ethnic autonomy is a great achievement of the CPC," Mu Ren, a professor of ethnology at Inner Mongolia Normal University, told Xinhua News Agency. "The system shows respect for history and is based on reality."

Inner Mongolia, in the past seven decades, has developed in various areas and made great achievements. Figures from the government of Inner Mongolia show that the region's economy has expanded from 537 million yuan (\$76 million) in 1947 to 1.863 trillion yuan (\$266.2 billion) in 2016. It now ranks first among the economies of the nation's five autonomous regions.

## Green grassland

Many people think of Inner Mongolia as a vast grassland dotted with snow-white yurts and galloping horses.

This is not the full picture of the autonomous region, at least for Yin Yuzhen, a Shaanxi local who has been living in Inner Mongolia for more than 30 years. Her experience in the region is just the opposite: a vast expansion of desert as well as the desperation and isolation of living in it.

Yin moved to Inner Mongolia after she married Bai Wanxiang, a local of the region, in 1985. Before that, Yin never thought she would live in a desert for three decades.

The Mu Us Desert, where Bai lives, was nothing but endless sand, where sandstorms were the typical weather 30 years ago. The couple lived in an isolated place with no neighbors and even no passersby.

"Sand storms could last more than 40 days in those days," Yin told Xinhua News Agency. "I could not see anybody around except for my husband. We were the only couple living there."

The harsh conditions were beyond her imagination, and they forced her to make changes. She decided to plant trees in the desert and soon managed to make this crazy idea a reality in 1986, just one year after she moved to the region. "Trees for me were the only hope, even though it was quite dim," she said.

She got the support of her husband. The couple spent their savings and bought 600 saplings, among which only about 100 survived in the end. Yin saw hope in the surviving trees



Picture taken on July 1 shows the son of Simujide, who is a herdsman from Ewenk Autonomous Banner, Inner Mongolia. There are about 12,000 Ewenk ethnic minorities in the banner, which was established in 1958. Lian Zhen







Soodbilige, a 46-year-old herdsman from Sonid Right Banner in Inner Mongolia Autonomous Region, waters sheep on July 12. There are five people in his family, which owns more than 9,000 mu of meadowland and rents another 5,000 mu of meadowland annually. By selling sheep and receiving subsidy, the net income of his family surpasses 150,000 yuan per year. *Ren Junchuan*

and was optimistic for the long-term battle with the desert.

They finally found out the way to solidify tree roots in the sand. In the past 32 years, trees planted by them have covered an area of more than 70,000 mu (4,667 hectares), and many people have followed up to create a green land on the isolated desert.

Elion Resources Group Ltd., a company founded in 1988 in Inner Mongolia with the aim of ecological restoration and new energy exploration, has also spent decades tackling desertification and has made remarkable progress in Hobq Desert in Ordos of Inner Mongolia.

The staff of the company started to plant trees in Hobq in 1988. Now, rows of willow trees have taken root in the desert, forming a fence that prevents the spread of sand storms.

In the past 29 years, the area of desertification eliminated by Elion has reached 10,000 square km, and another 6,000 square km have been transformed into regular land.

"Now the sandy weather in Hobq has decreased by 95 percent, and more than 100,000 locals have been lifted out of poverty," Wang Wenbiao, president of Elion, told China Land and Resources News. "Compared with 1988, the rainfall here has increased six-fold."

They have also adopted advanced technologies to make

construction materials out of sand. Their successful experience has gained attention of neighboring countries of China, especially those with similar problems.

"Two thirds of our nation's land is in western areas, and one third of the western areas is covered with desert, in which one third of the poor population of the country lives," Wang said. "Desertification is not just a project for ecological restoration; it can also help people in poverty get a better life."

During a visit to Inner Mongolia in 2014, President Xi Jinping pointed out two methods for ecological protection. First, major ecological restoration projects such as sandstorm source control programs and return of marginal farmland to forest and grazing land to grassland. Second, the speeding up of institution building related to ecological protection.

Since then, Inner Mongolia's ecological protection has been on a fast track, with more efforts in desert control, grassland protection and water and soil preservation. Since 2011, the State has provided subsidies for ecological protection, which had amounted to 30 billion yuan (\$4.29 billion) by 2016.

Now, Inner Mongolia Autonomous Region has 182 nature reserves and 43 national forest parks.

## The resources

Even though high-speed express trains arrived relatively late in Inner Mongolia compared with other places in China, one third of the rails for bullet trains in China is produced in the region by Baotou Iron and Steel Group, one of the leading iron and steel producers in China.

Inner Mongolia is rich in resources, which the region heavily relied on in the past to develop its economy. It has the world's largest rare earth mining area. It is the major power supplier for China's west-to-east and north-to-south power transmission programs. It is a major supplier of natural gas for China's west-to-east gas transmission program. In 2016, a quarter of China's coal, 850 million tons, was produced in the region. Once, almost 60 percent of industry in Ordos related to coal. Meanwhile, the region is China's biggest domestic dairy product supplier, producing 7.3 million tons of milk last year. It also has the largest output of mutton, fine wool and cashmere wool in the country.

During a visit to the area in 2014, President Xi stressed the importance of economic restructuring and put forward a series of solutions.

Xi said the region should combine adjustment of development mode with optimizing the industrial structure, and the adjustment should also be combined with energy saving and emission reduction.

Inner Mongolia has since made significant progress in industrial restructuring. The proportion of coal-related industries dropped to 22 percent in 2016, compared with 34 percent in 2011.

Now, the over-reliance on natural resources for development in Inner Mongolia has changed, and various alternative industries have boomed in recent years. Tourism, increasing annually by over 20 percent on average, has made the economy grow by an average of 7.9 percent each year from 2013 to 2016.

The development and construction of new energy industries in the region have been speeded up. The region has the

largest integrated wind power grid in China, its installed wind power capacity has reached 26.1 million kw, and its installed solar power capacity stands at 6.9 million kw, according to China Electric Power News.

With the double advantage of low-priced electricity supplies and a cool climate which is conducive to operating IT servers, the region is actively developing big data and cloud computing industry and has set a goal of building the largest data center in north China.

More than 3 million servers are expected to be put into use in the region over the next three to five years. "The output of the region's big data industry is expected to surpass 100 billion yuan (\$15 billion) by 2020," said Bu Xiaolin, chairwoman of the Inner Mongolia Autonomous Region.

Big data has been applied locally in many areas. A Mongolian language database, containing over 19 million words and phrases, has been developed in an effort to protect the ethnic culture and language.

The database, which includes a dictionary for scientific terminology featuring Mandarin, Mongolian, English and Japanese, covers a wide range of content including lexicons, grammar and literature.

Mongolians were traditionally referred to as "people who live on horseback" since they led a semi-nomadic pastoral lifestyle on grasslands. Now, modern technologies have also been adopted in many industries including livestock farming.

Many animals have been fitted with GPS collars to enable herdsman to accurately locate them via computers or smartphones. Watering systems, which automatically maintain a certain level of water to ensure adequate supply for herds, have also been adopted in many areas in the region.

Since 2012, a total of 1.41 million people have been lifted out of poverty, and basic medical insurance now covers 98 percent of the combined urban and rural population. Inner Mongolia's urbanization rate has surpassed 60 percent.

## The passageway

Manzhouli, located at the eastern junction of the borders between China, Russia and Mongolia, which has a population of 300,000, is a century-old inland port city known as the "window of East Asia" in Inner Mongolia. It witnessed the boom of the early Chinese gold miners in Russia in the 1980s. Recently, it has been undergoing robust development, especially since the Belt and Road Initiative was proposed in 2013.

The China-Mongolia-Russia Economic Corridor (CMREC), initiated in September 2014 during the first trilateral meeting of the heads of State of the three nations in Tajikistan, became the first multilateral cooperation plan to become part of the Belt and Road Initiative.

Xu Xuemeng, a logistics monitor with Manzhouli Customs, revealed during an interview with Xinhua that more hi-tech products are being delivered to Europe, including computers, home appliances and manufacturing equipment.

Now, Manzhouli is linked to 28 international destinations with freight trains, and nearly 70 percent of trade between China and Russia passes through the port. In the first seven months of this year, 747 freight trains passed through Manzhouli carrying goods worth \$3.15 billion, 25 percent more than those trans-shipped in the same period last year.

Figures from the local government show that the foreign trade volume of Inner Mongolia has increased from 30 million yuan (\$4.28 million) to 77.3 billion yuan (\$11.1 billion) since the beginning of China's reform and opening up in the late 1970s.

"We are integrating our plans with the Belt and Road development. We are of crucial importance to the northward opening up of Inner Mongolia," Mayor of Manzhouli Xu Ailian said. "In the future, we will conduct more practical cooperation with Mongolia and Russia to invigorate the grassland Silk Road." (Beijing Review) ■



The bullet train service connecting Hohhot and Ulanqab comes into operation on August 3. Wang Zheng





Photo taken on September 28 shows the 17-meter-tall display in the shape of a flower basket at the center of the Tiananmen Square in Beijing, capital of China, for the celebration of the National Day. As a tradition since 2011, a giant flower basket with the theme of "Good Luck, China" is installed at the Tiananmen Square in central Beijing for the celebration of China's National Day on October 1. This year, the 17-meter-tall basket with a diameter of 50 meters holds artificial flowers and fruits such as persimmons, pomegranates, apples, peonies and Chinese roses. VCG



# Qingyuan

清远

Charming Guangdong

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