

# NPC



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National People's Congress of China

## CHINA CONCLUDES ANNUAL PARLIAMENTARY SESSION, UPHOLDING REFORM, RULE OF LAW



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Zhang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC), delivers a work report of the NPC Standing Committee during the second plenary meeting of the second session of the 12th NPC at the Great Hall of the People in Beijing on March 9. *Li Xueren*

二、依法行使监督职  
权，加强对“一府两院”  
的监督





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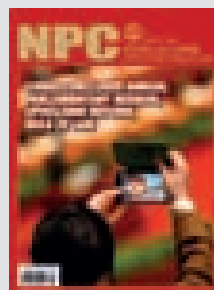
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**NPC**

General Editorial

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COVER: The second session of the 12th National People's Congress (NPC) convenes from March 5 to 13, 2014 at the Great Hall of the People in Beijing. *Li Yue*

# China concludes annual parliamentary session, upholding reform, rule of law





The closing meeting of the second session of China's 12th National People's Congress (NPC) is held at the Great Hall of the People in Beijing on March 13. *Chen Jianli*



Zhang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC), presides over the closing meeting of the second session of the 12th NPC at the Great Hall of the People in Beijing on March 13. *Li Xueren*

China's top legislator stressed reform and rule of law as the National People's Congress (NPC), concluded its annual session on March 13, 2014.

The lawmakers reached consensus, defined major missions and strengthened confidence on the country's development at the session, said Zhang Dejiang, chairman of the NPC Standing Committee, in his address at the closing meeting of the session.

Zhang highlighted in his speech the commitment to further reform and rule of law.

Bearing the "glorious mission" of deepening reform, "we should mainly rely on the people...strengthen our confidence, stay on a correct path and accumulate consensus...to write a new chapter in the history of our great cause of reform and opening-up," Zhang told nearly 3,000 lawmakers.

He called for further fulfillment of rule of law, protection of people's rights and interests and safeguarding justice.

The NPC and its standing committee bear an important responsibility in improving socialist democracy and rule of law, Zhang said.

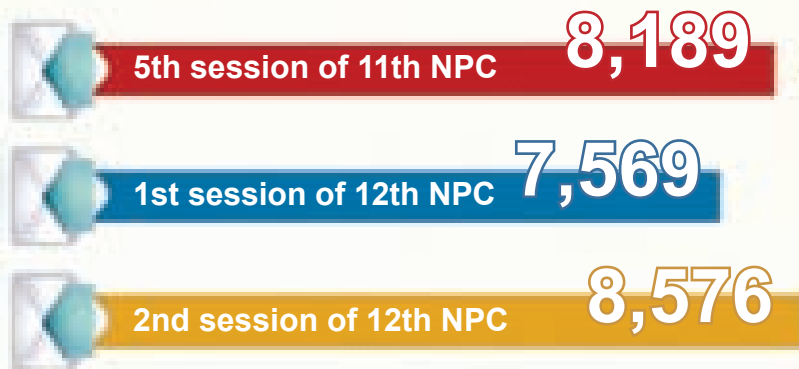
"We will adhere to the principle of integrating the leadership of the Party, the people's status as masters of the country and rule of law," he said.

The top legislature will continue safeguarding rule of law and authority of the Constitution and laws, while listening

The second session of the 12th NPC receives a total of **8,576** proposals and suggestions submitted by NPC deputies, among which 19 need particular handling.



Number of proposals and suggestions



Ma Yan



## At the session, the NPC deputies examined and approved a number of important documents.

to the call of the people and responding to their requests, he said, adding that the top legislature will continue to improve the system of people's congresses.

Zhang said that during the NPC session, the lawmakers worked in a pragmatic and efficient way and shared their views and ideas.

At the session, the NPC deputies examined and approved a number of important documents, including the Government Work Report, the national economic and social development

plan and the central budget.

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

The lawmakers approved the resignations of two NPC Standing Committee members at the closing meeting.

Chen Sixi and Wang Xiao resigned from the Standing Committee in May and June last year after Chen was appointed as deputy director of the central government's liaison office in Macao, and Wang took the post of deputy governor of Northwest China's Qinghai Province.

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

The NPC Standing Committee accepted their resignations in June and submitted them to the full session for final approval. (Xinhua) ■

### List of seven resolutions and draft resolutions approved by the second session of the 12th NPC

Title of the resolutions and draft resolutions	Yes	No	Abstention
Government Work Report	2,887	15	5
Draft resolution on the implementation of the 2013 plan for national economic and social development, and on the draft 2014 plan for national economic and social development	2,760	97	47
Draft resolution on the implementation of the central and local budgets for 2013, and on the central and local budgets for 2014	2,504	293	102
Draft resolution on the work report of the NPC Standing Committee	2,784	74	44
Draft resolution on the work report of the Supreme People's Court	2,425	378	95
Draft resolution on the work report of the Supreme People's Procuratorate	2,402	390	108
Draft resolution on the resignation of two NPC Standing Committee members	2,797	38	55



The closing meeting of the second session of China's 12th National People's Congress (NPC) is held at the Great Hall of the People in Beijing on March 13. Zhang Duo



Zhang Dejiang, chairman of the Standing Committee of China's National People's Congress (NPC), delivers a work report of the NPC Standing Committee during the second plenary meeting of the second session of the 12th NPC at the Great Hall of the People in Beijing on March 9. *Li Xueren*

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

Delivered at the Second Session of the 12th National People's Congress on March 9, 2014

Zhang Dejiang, Chairman of the NPC Standing Committee

## Major tasks for 2014

The year 2014 is the first year for fully implementing the guiding principles of the Third Plenary Session of the 18th CPC Central Committee and its decision to comprehensively deepen reform and is crucial for completing all the tasks of the 12th Five-Year Plan. The general requirements for the work the NPC Standing Committee this year are as follows: Hold high the great banner of socialism with Chinese characteristics; take Deng Xiaoping Theory, the important thought of Three Represents and the Scientific Outlook on Development as the guide; comprehensively implement the guiding principles of the Eighteenth National Party Congress and the second and third plenary sessions of the Eighteenth CPC Central Committee; study and implement the guidelines of General Secretary Xi Jinping's important speeches; firmly uphold the unity of the leadership of the Party, the position of the people as masters of the country, and the rule of law; focus on the overall work of the Party and country as we perform our official functions and carry out our work in accordance with the law; strengthen legislation in key areas; strengthen oversight of the State Council, the Supreme People's Court and the Supreme People's Procuratorate; safeguard the authority of the Constitution and laws; promote social fairness and justice; get the system of people's congresses to advance with the times; and make a greater contribution to comprehensively deepening reform, finishing building a moderately prosperous society in all respects and realizing the Chinese Dream of the great rejuvenation of the Chinese nation.

### Strengthening legislation in key areas and legislate scientifically and democratically

The power to enact laws for the country is the most important official function conferred on the NPC and its Standing Committee by the Constitution. The Eighteenth National Party Congress set forth the requirement of improving the socialist system of laws with Chinese characteristics. The Third Plenary Session of the Eighteenth CPC Central Committee made overall arrangements for comprehensively deepening reform, many of which are about the legislative work of the NPC. To attain the overall goals of deepening reform in all respects, namely, improving and developing the socialist system with Chinese characteristics and modernizing China's governance system and its governance capacity, the NPC Standing Committee will better combine legislative decisions with reform decisions, promptly enact and revise laws related to comprehensively deepening reform, use the legal system to promote and carry out reform measures, and get legislation to fully play its role in guiding, spurring and guaranteeing reform.

We will implement the Party Central Committee's decision to comprehensively deepen reform, revise the Budget Law, improve the budget management system, and put in place a comprehensive, standardized, open and transparent budgeting system. We will revise the Administrative Procedures Law and the Law on Administrative Review to improve the mechanisms for hearing administrative litigation and reconsideration cases, correct illegal or improper administrative

actions, and make the mechanism for protecting people's rights and interests more accessible and better regulated. We will revise the Environmental Protection Law and the Air Pollution Prevention and Control Law to improve the environmental protection and management system so that emissions of all pollutants can be supervised strictly, and enforce the strictest systems for protecting the environment by controlling pollution at the source, holding polluters accountable for the damage they cause and having them compensate for it. Other items on the Standing Committee's legislative agenda for this year are as follows: Revise the Legislation Law, the Food Safety Law, the Production Safety Law, the Securities Law, the Advertising Law, the Military Equipment Protection Law, and the Education Law; and enact the Asset Evaluation Law, the Waterway Law, the State Medals and Honorary Titles Law, the Futures Law, the Grain Law, and the Chinese Medicines Law.

For reform measures set forth by the CPC Central Committee that require enacting or revising laws or legal authorization, we will intensify research, promptly get started, arrange deliberation at appropriate times, and ensure that major reforms have a legal basis and are carried out in an orderly way. On the basis of the principle of proceeding actively and

### The quality of legislative work directly affects how well the rule of law is implemented.

prudently, we will strengthen the organization and coordination of legislative work and urge those drafting legislation to do so quickly. For laws connected to issues that are complex and where there are sharp differences of opinion, we need to coordinate the interests of all parties in an overall manner, appropriately resolve key problems, and effectively prevent departmental interests from being written into law and local protectionism. We will better interpret laws to ensure they are enforced properly and effectively.

The quality of legislative work directly affects how well the rule of law is implemented. The more we emphasize the rule of law, the more important it is to raise the quality of legislation. We need to make legislating scientifically and democratically the basis for improving the quality of legislation, and integrate legislating scientifically and democratically into the praxis of the socialist rule of law with Chinese characteristics and into the entire course and all aspects of legislative work.

The essence of legislating scientifically is respecting and embodying objective law in enacting legislation. In the concrete praxis of legislation, we need to continue improving legislative procedures and standardize legislative action so as to improve the legislative system with Chinese characteristics. We need to fully debate legislative items, scientifically determine legislative items, and improve the system for evaluating laws before and after they are promulgated. We need to enact, revise, annul and interpret laws to make legislative work better coordinated, less delayed and more systematic. We need to strengthen investigation on legislative matters, correctly identify important and challenging issues in legislation, search for scientific solutions to them, and make laws more enforceable and practicable.

The essence of legislating democratically is relying on the people and legislating for their benefit. In the concrete praxis of legislation, we need to improve the legislative work mechanism of following the guidance of legislative bodies, having relevant government departments participate in making laws, and involving NPC deputies, experts, representatives from enterprises and public institutions as well as social groups, people's organizations, and members of the general public in legislative work. We will improve the mechanism for promulgating draft laws to solicit comments and suggestions on them and the mechanism for giving feedback to those who made suggestions. We will pay attention to the opinions people express online and expand the avenues by which people can participate in legislation in an orderly way. We will expand the role of NPC deputies in the legislative process and intimately integrate the deliberation of deputies' bills and the handling of their proposals with the work of enacting and revising laws, and study and accept deputies' suggestions. We will improve the mechanism for coordinating and consulting on the drafting and deliberation of laws, listen to and deal with suggestions from all sources including opposing views, fully respect and make proper use of all kinds of constructive criticisms and suggestions, and achieve popular consensus to the greatest possible extent.

### **Carrying out our oversight functions in accordance with the law and strengthening oversight of the State Council, Supreme People's Court and Supreme People's Procuratorate**

Strengthening the NPC's oversight is a necessary requirement for implementing the rule of law as the basic strategy. The Eighteenth National Party Congress set forth the requirement that people's congresses should step up their oversight of people's governments, courts and procuratorates, and tighten their examination and oversight of all government budgets and final accounts. The Third Plenary Session of the Eighteenth CPC Central Committee stressed the need to strengthen the system under which people's governments, courts and procuratorates are engendered by people's congresses, responsible to them and subject to their oversight; the need to strengthen people's congresses' function of examining and overseeing government budgets and final accounts and overseeing State assets; and that people's congresses should actively respond to issues of public concern through the use of inquiries, interpellations and investigations into specific problems and records review. We need to fully implement the guidelines of the Central Committee and the provisions of the Oversight Law and raise the NPC's oversight work to a new level.

First, we need to exercise our oversight power in accordance with the law. People's congresses' oversight of the people's governments, courts and procuratorates is legally effective oversight exercised on behalf of the country and people, and reflects the constitutional principle that all state power belongs to the people. People's congresses' power to exercise oversight is a statutory power, as are the procedures and methods for exercising it. The NPC and its Standing Committee should faithfully carry out the duties conferred on it by the Constitution and laws, exercise oversight courageously

and effectively, and ensure that oversight work is done within the legally specified limits of power and in accordance with legally specified procedures.

Second, we need to exercise oversight in light of the Party and country's work. We need to focus oversight on major reform, development and stability issues and on sensitive issues of particular concern to the people; strengthen oversight of compliance with the Constitution and laws; strengthen constraints on and oversight of the exercise of power; give impetus to the implementation of the Party Central Committee's major policy decisions and agendas; correctly balance overseeing the State Council, Supreme People's Court and Supreme People's Procuratorate and supporting their work, and see to it that they administer affairs in accordance with the law and administer justice fairly; and safeguard the legitimate rights and interests of citizens, legal persons and other organizations.

Third, we need to improve the way oversight work is carried out. We will continue to carry out inquiries on special topics, improve methods of organization and work mechanisms, and make work more targeted and effective. We will improve the system for records review of administrative regulations, local statutes, judicial interpretations and other normative documents. We will improve the way we inspect compliance with laws, exercise oversight and conduct investigations and studies, conscientiously listen to and respond to people's concerns, and raise weighty criticisms and sugges-



tions with a definite purpose in mind. We will exhort those, to whom Standing Committee members have made suggestions after deliberations, to conscientiously look into and handle these suggestions and improve their work in earnest.

On the basis of the above principles and thinking on oversight work, the main oversight work the Standing Committee this year will be as follows:

First, we will investigate compliance with the Tourism Law and the Patent Law, and promote comprehensive and correct implementation of them.

Second, we will listen to and deliberate reports on the country's plan for economic and social development and central and local government budgets as well as on the final accounts and auditing work of the central government, deliberate and approve the central government's final accounts for 2013, listen to and deliberate the report on the allocation and use of government spending on water conservancy, carry

## Members of the Chairperson's Council need to increase their exchanges with deputies they are partnered with through visits, phone calls and letters.

Photographers work at the second plenary meeting of the second session of China's 12th National People's Congress (NPC) at the Great Hall of the People in Beijing on March 9. *Jin Liwang*



out special investigations and studies on the preparation and management of departmental budgets, give impetus to the implementation of the general work guideline of making progress while maintaining stability, carry out reform and innovation in all areas of economic and social development, and genuinely improve the quality and returns of economic development.

Third, we will listen to and deliberate reports of the State Council on deepening reform of the system of government review and approval and strengthening financial supervision and regulation to prevent financial risks, carry out special investigations and studies on compliance with the Civil Service Law, give impetus to the implementation of the Party Central Committee's policy decisions and agendas for comprehensively deepening reform in order to accelerate reforms in important areas.

Fourth, we will listen to the report of the State Council on conserving energy and reducing emissions; investigate compliance with the Air Pollution Prevention and Control Law; carry out special investigations and studies on preventing and controlling soil pollution; exhort relevant departments to solve prominent environmental problems; and strengthen ecological conservation.

Fifth, we will listen to and deliberate reports of the State Council on carrying forward the development of social security systems for urban and rural residents in a holistic way, the building of a new countryside, and production safety; investigate compliance with the Law on the Protection of Minors; carry out special investigations and studies on economic and social development in ethnic minority areas; respond to the people's concerns; and exhort relevant departments to solve prominent problems that concern the people the most and affect their vital interests.

Sixth, we will separately listen to and deliberate reports of the Supreme People's Court and Supreme People's Procuratorate on how they have been standardizing their judicial conduct in order to improve judicial fairness, promote social fairness and justice, and ensure that the people can live and work in peace and contentment.

## Continuing to strengthen and improve work related to deputy services, foreign contacts, and self-improvement

We will improve the system for work related to deputies, effectively provide them with services and get them to fully play their role.

First, we will strengthen relations between the Standing Committee and deputies. Members of the Chairperson's Council need to increase their exchanges with deputies they are partnered with through visits, phone calls and letters. When they go on trips to inspect compliance with laws or carry out investigations and studies or inspections, deputies they are partnered with should be invited to take part in relevant activities. We will establish a work mechanism for Standing Committee members and special committees to maintain contacts with NPC deputies, especially strengthen contacts with local-level deputies to the NPC, and ensure that social conditions and popular sentiment find ways to be heard. We will improve the mechanism for deputies to participate in the work of the Standing Committee and special committees,



The second plenary meeting of the second session of China's 12th National People's Congress (NPC) is held at the Great Hall of the People in Beijing on March 9. *Rao Aimin*

## Through practice we have fully verified that the system of people's congresses is the fundamental political system that conforms to China's national conditions.

strive to make sure that all local-level deputies to the NPC can sit in on at least one Standing Committee meeting during their five-year term of office, and invite more deputies to participate in activities including inspections of compliance with laws and investigations and studies for pending legislation.

Second, we will foster closer links between deputies and the people. We will improve the system for deputies to maintain close ties with the people, strengthen deputy contact offices, build a sound online platform, improve the work of inspection tours and investigations and studies on special topics by deputies, widen the channels and enrich the content of deputies' contacts with the people, and make better use of deputies' special role in understanding public feelings, reporting on popular sentiment and drawing on the wisdom of the people.

Third, we will better serve deputies carrying out their duties. We will raise the quality of our handling of bills and proposals by deputies, expand the avenues by which deputies learn about what goes on in the NPC and the government as a whole, carry out special training sessions for deputies, and make sure that local-level deputies to the NPC attend at least one training session during their five-year tenure.

We will conscientiously implement the major policies and principles and overall arrangements of the CPC Central

Committee for the country's diplomatic work; strengthen exchanges and cooperation with parliaments and congresses of major countries, other developing countries, and neighboring countries; and strengthen and improve the mechanism for regular exchanges with foreign parliaments and congresses. We will develop diplomatic contacts through multiple channels in various ways; enhance mutual political trust, promote pragmatic cooperation and deepen friendship among our peoples; create a beneficial external environment for our country's reform, development and stability; and make our proper contribution to safeguarding world peace and stability and promoting common development.

We will continue to strengthen the Standing Committee's self-improvement, adhere to the correct political orientation of the NPC's work, uphold the Party's leadership of the NPC's work, and firmly safeguard the authority of the Party Central Committee. We will uphold the principle of democratic centralism. We will implement the Party's mass line, genuinely increase our sense of political responsibility in representing the people in exercising the power of administering the country, and wholeheartedly serve the people. We will strengthen investigations and studies on new developments and problems that arise in the NPC's work concerning the Party Central Committee's major policy decisions and arrangements, and improve the NPC's work related to legislation, oversight and deputies. We will strengthen and promote publicity of and education in the legal system and create a sound atmosphere in which everyone study, respect, abide by, and apply the law. We will strictly abide by the Party Central Committee's eight-point decision on improving Party and government conduct, improve the systems for regularly improving the conduct of the NPC and practicing thrift, and firmly uphold the sanctity and authority of rules and regulations. We will continue to deliver special topic lectures to the Standing Committee, improve organizational methods, expand the scope of study, and obtain better results from study. We will strengthen leadership of the work of the special committees and give full play to their role. We will strengthen work relations with local people's congresses, strengthen work coordination, develop work exchanges, raise the overall effectiveness of the work of people's congresses, and work together to promote the building of socialist democracy and the socialist rule of law. NPC bodies should continue to strengthen their ranks on the basis of the requirements that their staff have firm ideals, are politically reliable and professionally competent, have a good work style, and are honest and industrious.

September this year marks the 60th anniversary of the establishment of the NPC. Through practice we have fully verified that the system of people's congresses is the fundamental political system that conforms to China's national conditions, reflects the socialist nature of the State and guarantees the people's position as masters of the country, and is also the best way the Party can implement the mass line and make democracy flourish in organizations of State powers. We should make the most of the occasion of commemorating the 60th anniversary of the establishment of the NPC to fully publicize the glorious history, outstanding achievements and practical experience of the system of people's congresses, as well as the great superiority of our country's fundamental political system, firmly maintain our confidence in the system of people's congresses, and advance it with the times. (Xinhua) ■

# Highlights of NPC Standing Committee work report

Following are the highlights of work report of the Standing Committee of the 12th National People's Congress over the past year:

## Progress in 2013

– The NPC Standing Committee drew up a five-year legislative plan and held a meeting to determine the targets, tasks and requirements of the legislative work.

– Over the past year, the Standing Committee deliberated 15 bills and draft decisions on legal issues, of which 10 were passed; and revised 21 laws and enacted two.

– Over the past year, the Standing Committee listened to and deliberated 15 work reports of the State Council, the Supreme People's Court, and the Supreme People's Procuratorate, inspected the implementation of four laws, conducted three special inquiries and carried out five special investigations and studies.

– The Standing Committee divided NPC deputies into 260 groups and encouraged them to solicit people's opinions and requests through a variety of ways.

– A total of 1,740 deputies took part in investigations and studies on special topics and 1,700 deputies in inspection tours.

– Each member of the Chairperson's Council was asked to keep direct contact with at least five NPC deputies.

– The number of deputies sitting on the meeting of the Standing Committee rose to 66.

– A total of 51 entries in 169 motions put forward by NPC deputies were incorporated in legislative programs and plans.

## Legislation in 2013

– The top legislature enacted the Tourism Law and the Special Equipment Safety Law, as well as amended the Law

on the Protection of Consumers' Rights and Interests.

– It revised 19 laws to facilitate the institutional reform of the State Council, which was adopted at the first annual session of the NPC in March, 2013.

– It adopted resolutions to abolish the system of reeducation through labor and allow couples to have the second child if either of them is the only child.

– It ratified two new national days, one to mark victory in the anti-Japanese war and the other to commemorate Nanjing Massacre victims and all those killed during Japanese aggression against China.

– It added one round of opinion soliciting after the second reading of a motion. The public used to be asked for opinion about a motion after its first reading.

– NPC deputies, experts, industry insiders and ordinary citizens were invited to assess the feasibility and social effects of a motion before it was put for vote.

## Oversight work in 2013

– The top legislature strengthened supervision on budget and final account of the central government. It examined the reports on the central government's final accounts and auditing work in 2012 as well as the implementation of the budget for the first seven months of fiscal year 2013.

– It examined a report on the government spending on science and technologies, which was the first time it oversaw the government spending for a specific purpose.

– It examined 19 new regulations of the State Council and 32 legal interpretations of the Supreme People's Court and the Supreme People's Procuratorate in the past year, to determine if they were in line with the Constitution and laws.

– It reviewed all existing judicial interpretations and other documents with similar effect. This is the first such review since the founding of the People's Republic of China. (Xinhua)



The second session of China's 12th National People's Congress opens at the Great Hall of the People in Beijing on March 5. *Jin Liwang*

## Reform as **'powerful impetus'**

Chinese Premier Li Keqiang, in his first government work report, pledged on March 5, 2014 to make breakthroughs in reform as the country seeks growth impetus in face of downward pressure on its economy.

Li's report, delivered at the opening meeting of the national legislature's annual session, set this year's economic growth target at 7.5 percent, the same as last year's target and slightly lower than the 7.7-percent actual growth in 2013.

Other key economic goals, such as consumer price index (CPI) and unemployment rate, remain generally the same as those of last year.

Li said the reform will focus on the most wanted areas, the most pressing problems and the sections having the biggest consensus.

"We must rely fully on the people, break mental shackles and vested interests with great determination," he told nearly 3,000 deputies to the second session of the 12th National People's Congress (NPC) at the Great Hall of the People in Beijing.

Li described the situation China faces this year as "a complex environment" with both favorable and unfavorable factors.

Internationally, in addition to the unstable and uncertain global economic recovery, some countries' policy adjustments introduce new variables into the equation and emerging economies are facing new difficulties and challenges, he said.

Domestically, deep-seated problems are surfacing while painful adjustments need to be made, he said.

"The pace of economic growth is changing and downward pressure on the economy remains great," he said.

However, the premier held that China is able to maintain a moderate and even high economic growth for some time to come as industrialization and urbanization are continuing and there is considerable potential for regional development.

Li's report listed three principles for this year's work. Apart from deepening reform, the central government is to keep economic performance within a proper range and to raise the quality and returns of development, promote industrial upgrading and keep improving people's wellbeing.





## Major reform areas

China launched a grand reform plan last November at the Third Plenary Session of the 18th Communist Party of China (CPC) Central Committee, including about 330 measures in 60 aspects.

In his report, Li reiterated the market's decisive role in allocating resources and a better role of the government.

The economic restructuring tops all reform measures in Li's report and the highlighted ones include the administrative system, the fiscal and tax systems, the financial sector and equal development of State and non-State enterprises.

As a major attempt to transform government functions, the central government plans to add another 200 administrative approvals to the list of being abolished or delegated to governments at lower levels, following the 416 ones last year.

The priority in reform of fiscal and tax system is to improve the transparency of budgets. Governments at all levels will be asked to publish their budgets and final accounts. Step by step they will include details of expenditures, especially public spending on official overseas visits, official vehicles, and official hospitality.

China has tried to replace business tax with VAT in several service sectors and this year the practice will be extended to railway, post and telecom services.

Regarding financial reform, the most notable part is to grant financial institutions more power to set interest rates, steadily let in private capital in small and medium-sized banks and promote Internet finance.

In a country that used to eliminate private sectors for

decades, the premier's report pledged equal development of entities of all ownership.

"We will improve the property rights system to ensure that property rights are inviolable in both the public and non-public sectors," he said.

The government will allow non-State capital to take part in some projects in areas such as banking, oil, electricity, railway, telecommunications, resources development and public utilities, which are normally dominated by State-owned enterprises.

## Challenges ahead

"We must be keenly aware of the many difficulties and problems on our road ahead," Li said. "The foundation for sustaining steady economic growth is not yet firm, and the internal impetus driving growth needs to be increased."

The report listed risks in fiscal and financial sectors, excess production capacity in some heavy industries and more difficulties of macro-control.

The premier also worried about the challenges in increasing agricultural output and rural income, curbing air, water and soil pollution, conserving energy and reducing emissions.

People are not happy about housing, food and drug safety, medical service, old-age services, education, income distribution, land use and demolition and security, he said.

He also admitted that some civil servants are prone to corruption and do not do their job with integrity and diligence.

"The government must first examine itself to identify the causes of these problems and work out ways to resolve them," he said. (Xinhua) ■

# Ensure steady growth and job creation

Chinese Premier Li Keqiang gestures to journalists after his press conference following the closing meeting of the second session of the 12th NPC at the Great Hall of the People in Beijing on March 13. *Xiao Yiju*



Chinese Premier Li Keqiang on March 13 said there is a level of flexibility for the government's growth target at around 7.5 percent this year, stressing rather the importance of creating enough jobs.

"We are not preoccupied with GDP growth. The growth that we want is one that brings real benefits to the people, helps raise the quality and efficiency of economic development, and contributes to energy conservation and environment protection," Li stressed when asked on the lowest growth rate that the government can live with.

Li's elaboration came after the government announced last week that the country will target an unchanged growth of around 7.5 percent in 2014.

It also vowed to keep inflation at around 3.5 percent and create 10 million more urban jobs to ensure the registered urban unemployment rate does not rise above 4.6 percent.

Li underscored the importance of a proper growth to

deliver enough urban jobs while leaving room for the six to seven million migrant workers to seek employment in cities.

China's economy grew 7.7 percent last year, well above the government goal, but a set of data that pointed to softening manufacturing activity in recent months has renewed concerns on the growth outlook of the world's second largest economy.

In response to the concerns, Li emphasized that China's economy has "tremendous potential and resilience", and the country has the ability and conditions to keep its economic operation within a proper range.

The premier noted a spate of complex challenges for this year, including enhancing the quality and efficiency of economic development, tackling pollution and saving energy.

"So we need to strike a proper balance amidst all these goals and objectives. This is not going to be easy," Li acknowledged.

"We need to face up to the difficulties and challenges and make the most of the favorable conditions. This holds the secret of our success," he said, citing a Chinese proverb that "only a sharpened axe can cut through firewood."

Although China's 7.5 percent growth target is the same as previous years, its importance is fading as many believe the government will no longer view the figure as the necessary minimum as it usually did in the past.

Senior leaders and officials have on various occasions backed up the macro-economic control strategy featuring the idea of "a proper range," – a lower limit to ensure steady growth and job creation and an upper limit to avert inflation, which was first proposed by Li in July.

Finance Minister Lou Jiwei joined the chorus on March 6, calling for more comprehensive understanding on the country's growth target instead of merely fixating on the 7.5-percent figure.

GDP growth, inflation and employment are all key factors that should be taken into consideration when assessing economic conditions, Lou told a press conference, adding that a growth of 7.3 percent or 7.2 percent can still be counted within that range. (Xinhua) ■



On March 13, people of Elunchun ethnic in the city of Heihe, Heilongjiang Province watch the live TV broadcast of the press conference given by Premier Li Keqiang. *Zhang Hui*

# Gear down for a **healthier economy**

**C**hina's latest batch of disappointing statistics have done little to ease worries over a slowing economy.

A trade deficit of almost 23 billion U.S. dollars in February was the first since April 2013. The purchasing managers' index for the manufacturing sector dropped to 50.2 percent in February, an eight-month low.

"Declining economic data in the previous two months does not signify a systemic withering," said Zhang Liqun of the State Council's development research center.

Zhang believes that the downturn in momentum will be halted and China's economy will grow steadily to reach the 2014 target. Gearing down in development will bring a healthier economy overall.

The growth target this year, set out by Premier Li Keqiang at the annual parliamentary session on March 5, 2014, makes 2014 the third consecutive year with a goal of 7.5 percent. Li repeated the word "reform" 77 times in the report, so the message to analysts is crystal clear.

No country can sustain an economic boom forever, and China has realized yearly growth of more than 10 percent in gross domestic product (GDP) for over three decades, said Yu Bin, head of macro economics at the research center. Surging labor costs combined with pressure from green industries means a slowdown is unavoidable.

Each percentage point of GDP growth represented nearly 530 billion yuan (86.42 billion U.S. dollars) last year, 5.4 times the 98 billion yuan in 2000, Yu explained.

Sun Xuegong, deputy director of the economic research center at the National Development and Reform Commission, said that perennial growth had forced China to adjust its economic structure. Higher living standards demand higher quality products and services. Those demands are met through structural transformation and innovation.

Lian Ping, chief economist at the Bank of Communications, reckons that the 7.5 percent target will mean increased consumption and more exports.

Current gloomy expectations can be easily exaggerated, according to Zhang Liqun, especially in the capital market where sharp fluctuations represent investment opportunities.

The Government Work Report delivered by Premier Li this year set lower growth targets for investment and exports but a higher employment goal. Increased employment will come through fast expansion of service industries as China's economic structure develops.

Participants in the sessions of the top legislature and political advisory body are optimistic that China is on a smoother path toward better quality of life for all. (Xinhua) ■

The night view of Shanghai's Bund and Lujiazui Xinhua



# Peace-seeking nation eyes more active international role



Foreign Minister Wang Yi gives a press conference on the sideline of the second session of the 12th NPC on China's foreign policies in Beijing on March 8. *Jin Liwang*

China's diplomacy will better serve its domestic reform and also its commitment to a more active international role, a top diplomat vowed on March 8, 2014.

Foreign Minister Wang Yi took 16 questions on subjects ranging from China's relations with Japan and the United States, to the Ukraine crisis and Korean Peninsula situation, during a press conference on the sidelines of the country's ongoing top legislative session.

His answers highlight China's underlying principle of peaceful development and its resolution to safeguard territorial sovereignty.

According to the foreign minister, who is also China's ambassador to Japan, this was the largest gathering of journalists he had faced since taking office last March.

"I am satisfied with his answers," said Andrey Kirillov of Russian news agency Itar-Tass, one of the hundreds of journalists packing the conference room. "He emphasized China's interests, but also repeatedly conveyed its idea of win-win situations through peaceful development."

## "Every inch" of territory

Wang said China is determined to defend "every inch" of

its territory and ruled out any possibility of compromise on historical and territorial issues with Japan.

"On the two issues of principle, history and territory, there is no room for compromise," he said.

The minister's remarks highlight the mounting tension between China and Japan. Relations between the two East Asian neighbors have reached a new low since Japan's "purchase" of the Diaoyu Islands in September 2012.

"2014 is not 1914, still less 1894," said Wang, responding to the parallel some have drawn between the current China-Japan relations and the Germany-Britain relations before the First World War.

"I want to emphasize that instead of using Germany before the First World War as an object lesson, why not use Germany after the Second World War as a role model?" he added.

In 1894, Japan waged the First Sino-Japanese War, in which China was defeated.

"Only by making a clean break with the past and stopping going back on one's own

words can the relationship emerge from the current impasse and have a future," according to Wang.

In response to a separate question regarding China's neighborhood diplomacy policy, the minister said his country will never bully smaller nations, yet will neither accept unreasonable denunciations from them, adding that the general situation in China's neighborhood remains "stable and positive."

He said that China would like to carry out equal-footed consultation and negotiation, and properly handle its territorial and maritime disputes by peaceful means on the basis of historical facts and international law.

"When others respect us, we respect them even more," Wang said.

## China solution

During the press conference, where the foreign minister used the word "peace" at least 20 times, Wang said China will seek justice and uphold equality in international relations and protect the rights of developing countries in particular.

"We will take an active part in international and regional affairs and play a bigger role in solving global and regional issues by offering China's own solutions," he said.

## China will better protect and serve overseas Chinese, and provide stronger protection for their growing legitimate rights and interests abroad.

He also vowed that China will better protect and serve overseas Chinese, and provide stronger protection for their growing legitimate rights and interests abroad.

“To better our diplomacy work, we need to have confidence,” according to Wang. “It originates from the strength and prosperity of our motherland.”

The senior diplomat told reporters that his country will not allow war or instability on the Korean Peninsula, China’s “doorstep.”

Regarding the Ukraine crisis, Wang called for calm and restraint to prevent further escalation.

“China is in communication with various parties and we will play a constructive role in bringing about a political settlement of the Ukraine issue,” he vowed.

In 2014, China will host a series of international functions, including the Foreign Ministerial Conference of the Istanbul Process on Afghanistan, the CICA summit and the APEC Economic Leaders’ Meeting.

Wang said the latter two are key priorities for the country’s diplomacy this year.

The country will work with Afghanistan and other neighbors to “resolutely fight all terrorist forces,” the minister said.

According to Wang, another focus of China’s diplomatic policy will be better serving the country’s domestic reform through creating a favorable international environment.

China will strengthen friendly relations with all countries in the world, especially neighboring countries, so as to create a more enabling environment for the country’s reform and

development, he added.

Wang listed three major developments in China’s diplomatic strategy:

- a new model of major-country relations to break the historical pattern of conflict and confrontation between major countries;
- neighborhood diplomacy featuring amity, sincerity, mutual benefit and inclusiveness;
- a more balanced approach between upholding justice and seeking interests.

Last year, Chinese President Xi Jinping and Premier Li Keqiang visited 22 countries, received 65 foreign heads of State and government in China and met more than 300 foreign dignitaries, while the country reached about 800 agreements with other countries.

Xi is due to visit Europe and Latin America, and Li Africa this year.

Commenting on Sino-U.S. relations, Wang said that if the new model of major-country relationship between the world’s two largest economies is a building, mutual respect is the foundation.

“When the two sides truly respect each other’s sovereignty, territorial integrity, social system, development path, core interests and major concerns, the foundation will be a solid one that can withstand storms, and truly grow into an edifice of win-win cooperation,” he said.

The Asia-Pacific region should be the “testing ground” of the two countries’ commitment to build a new model of relations, rather than “a competitive arena,” according to the minister.

Regarding China’s relations with Russia, Wang said his country will make sure that the China-Russia partnership continues to grow from strength to strength.

“The China-Russia relationship is in its best period in history, characterized by a high level of mutual trust, firm support for each other and intensifying cooperation in various fields,” he said. (Xinhua) ■



The press conference of Foreign Minister Wang Yi on China’s foreign policies on March 8 Wang Jianhua



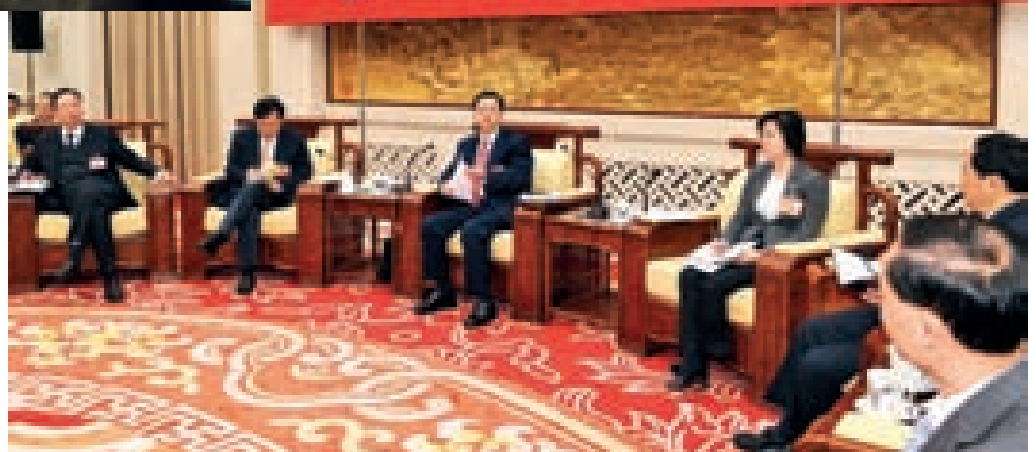
Chinese President Xi Jinping (L, front) joins a discussion with deputies to the 12th National People's Congress (NPC) from South China's Guangdong Province during the second session of the 12th NPC in Beijing on March 6. *Ju Peng*

Chinese Premier Li Keqiang (C) joins a discussion with deputies to the 12th National People's Congress (NPC) from East China's Jiangxi Province during the second session of the 12th NPC in Beijing on March 9. *Xie Huanchi*

Zhang Dejiang (C, rear), chairman of the Standing Committee of China's National People's Congress (NPC), joins a discussion with deputies to the 12th NPC from South China's Guangxi Zhuang Autonomous Region during the second session of the 12th NPC in Beijing on March 9. *Liu Jiansheng*



Zhang Dejiang (3rd L), chairman of the Standing Committee of China's National People's Congress (NPC), joins a discussion with deputies to the 12th NPC from Zhejiang Province during the second session of the 12th NPC in Beijing on March 5. *Rao Aimin*





↑ Deputies to China's 12th National People's Congress (NPC) from North China's Inner Mongolia Autonomous Region take part in a panel discussion during the second session of the 12th NPC in Beijing on March 7. *Xiao Yijiu*



↑ Deputies to China's 12th National People's Congress (NPC) from East China's Shanghai take part in a panel discussion during the second session of the 12th NPC in Beijing on March 6. *Qi Heng*

↓ Deputies to China's 12th National People's Congress (NPC) from Northwest China's Xinjiang Uygur Autonomous Region take part in a panel discussion during the second session of the 12th NPC in Beijing on March 6. *Du Yang*



↑ Gansu delegation opens its plenary meeting to the press on March 9. *Qi Heng*



→ Deputies to China's 12th National People's Congress (NPC) from Southeast China's Fujian Province take part in a panel discussion during the second session of the 12th NPC in Beijing on March 6. *Qi Heng*





↑ On March 5, the plenary meeting of Hunan delegation was held in Hunan Hall at the Great Hall of the People. Yang Li, a representative from Hunan rural area is holding blackberry plants and explaining her advise to enlarge the margin effects of the wetlands. *Chen Jianli*



↑ On March 12, six female representatives give a press conference on the female development and rights protection in the process of social civilization and other related topics. Deputy Luo Ning was showcasing the hand-made handbags on site. *Yang Huafeng*

↓ “China’s renowned brands suffer from frequent infringement of trade mark registration. For example, Wahaha is continuously registered as trademarks for chemical industry, mechanical engineering, electrical appliance and so on,” said NPC deputy Zong Qinghou, who is the CEO of Wahaha Group in Hangzhou, told the press during the “Two Sessions” in Beijing on March 7. He called for the revision and better implementation of Trademark Law to enhance the protection of property rights. *Jin Liwang*



↓ On March 10, the third plenary meeting of the second session of the 12th NPC was held at the Great Hall of the People. As a CPPCC member, the 11th Panchen Erdeni Qoigyi Gyaibo (R) attended the meeting. *CFP*



↑ Li Jianhua (C), deputy to China’s 12th National People’s Congress from Northwest China’s Ningxia Hui Autonomous Region, receives an interview after a panel discussion in Beijing on March 6. *Wang Peng*



↑ On March 9, Deputy Yan Junfang tackles the employment of college graduates. In her opinion, college students should change their ideas on employment while the government should set up platforms to help university graduates secure jobs. After graduation, instead of becoming a teacher in the university, Yan returned home to raise pigs. After years of hard work, she has become the CEO of Benxiang Agriculture Group and a national worker model. *Liu Weibing*





↑ Fu Ying, spokesperson for the second session of China's 12th National People's Congress, gives a press conference on March 4, one day before the second session of the 12th NPC, on March 5. *Photos by Jin Liwang*



↑ Six female deputies to China's 12th National People's Congress (NPC) give a press conference on the protection of women's rights in Beijing on March 12. *Wang Peng*

↓ The combined photo taken on March 9 shows (L-R top) Liu Zhenwei, Kan Ke, (L-R bottom) Yao Sheng, Yuan Jie, Zang Tiewei, officials of China's National People's Congress (NPC) and its Standing Committee, speaking at a press conference on legislative and oversight work in Beijing. *Chen Chao*



↓ Gong Ke (C, rear) and Shen Qifang (R, rear), deputies to the 12th National People's Congress (NPC), give a press conference on education reform in Beijing on March 11. *Xiao Yijiu*





▲ A journalist asks a question at a press conference given by Chinese Foreign Minister Wang Yi at the second session of China's 12th National People's Congress (NPC) on China's foreign policies, in Beijing on March 8. *Jin Liangkui*

↓ On March 6, cooperated with Guangming Network, "NPC Magazine" hosted an interview with representatives from the second session of the 12th NPC. The picture is taken while Deputy Dai Birong (R) is taking the interview. *Zheng Jian*



▲ On March 8, a journalist from NPC Magazine raises a question of environmental protection and its legal construction to Wu Xiaoping, vice minister of the Ministry of Environmental Protection at the press conference in Beijing. *Luo Rong*



← A panel discussion of Henan delegation at the second session of the 12th NPC opens to the media on March 6. *Li Bo*

↓ On March 5, media from home and abroad get ready for a press conference of the second session of the 12th NPC at the Great Hall of the People. *Yang Huafeng*





← Diplomatic representatives observe the proceeding of the second session of the 12th National People's Congress in Beijing on March 5. *Qi Heng*



Foreign reporters cover the second session of the 12th NPC in Beijing. (Photos by Xinhua and CFP)





# 2014 NPC Focus



# Law-based government characterizes China's reform ambitions



Five deputies to China's 12th National People's Congress, Guo Fenglian, Zhong Nanshan, Sun Xianzhong, Wang Liang, Cui Genliang, give a press conference on how NPC deputies exercise their duty, in Beijing, March 10. Wang Peng

As China flexes its reform muscle, tricky problems stand in the way – government streamlining, market-government ties, and insufficient legal guidance.

To clear these obstacles, authorities have turned to the rule of law.

The Standing Committee of the National People's Congress (NPC) intends to use the law this year to take reform to new heights.

After more than 30 years of reform, China focused on deepening reform along the track of the rule of law, said Zhao Bingzhi, head of the Law School at Beijing Normal University.

“Stressing the rule of law reflects the Communist Party of China (CPC)’s new understanding and a dramatically changing legal environment,” Zhao said.

In the 1980s many reforms were adopted without proper legal arrangements, but times has changed. A socialist legal system with Chinese characteristics was established in 2010. China currently has 242 laws covering almost every aspect of political and social life. Most reform will require revision or abolition of existing laws, or completely new laws.

“No major reform should be conducted if it is not legally grounded,” Zhao said.

The CPC grand reform blueprint first saw light of day in November last year. The plan includes more than 300 economic, political, social, cultural and environmental measures which all require legislation for implementation.

President Xi Jinping said in February during a meeting of China's leading group for overall reform that the “rule of law” must not just be followed, but highlighted through the whole reform process and that major reforms must have a legal basis.

Top legislator Zhang Dejiang said on March 9 that the legislature should combine legislative and reform decisions, allowing legislation to play its full role.

This year, the top legislature will revise the Budget Law to make the system more transparent, and the administrative procedures and review laws to protect the rights and interests of the public.

“Emphasizing the guiding and guaranteeing role of the rule of law in reform shows the CPC’s commitment to the rule of law. It is an important part of the CPC’s initiative to build a modern government,” Zhao said.

There have been many recent examples of legal changes for reform.

November’s package included abolishing the system of re-education through labor and allowing more couples to have second child.

Last year, the NPC Standing Committee revised 19 laws to change the role of the State Council, China’s cabinet, by slashing administrative approvals.

According to Kan Ke, vice-chairman of the Commission for Legislative Affairs of the NPC Standing Committee, the November blueprint entails more than 70 bills.

“The reform must be in line with the law,” he said, but with only seven years left to achieve the 2020 goals, bills must be dealt with in order of priority. (Xinhua) ■



On March 28, Wei Ziheng (C), Liu Min (R) and their daughter became the first family from Hubei Province who got the approval of having their second child. CFP



On March 19, students from Huanfeng Primary School in Ma’anshan City, Anhui Province, write the Chinese character of “law” with writing brush. CFP

# Anti-corruption campaign intensified

**W**ork reports of two judicial bodies, delivered at the second annual session of the 12th National People's Congress (NPC), on March 10, 2014, demonstrated that the anti-corruption campaign is picking up momentum.

According to the Supreme People's Procuratorate (SPP), prosecutors last year investigated 2,871 public servants at county levels and above, including 253 at city levels and eight at provincial and ministerial levels, in 2,581 cases of graft, bribery, and embezzlement of public funds involving more than one million yuan (about 163,300 U.S. dollars).

The work report of the Supreme People's Court (SPC) shows that Chinese courts in 2013 convicted and punished 31,000 criminals in 29,000 cases of embezzlement, bribery and breach of duty, including several serious cases such as Bo Xilai and Liu Zhijun.

Bo was a former member of the Political Bureau of the Communist Party of China (CPC) Central Committee. Liu was former minister of railways.

Wang Yuankai, an NPC deputy from southwest China's Chongqing Municipality, said the trial of Bo speaks unequivocally about China's tough stance on corruption and its upholding of rule of law: no one is above the law.

After the 18th CPC National Congress in late 2012, China launched an anti-graft campaign, which targeted both "tigers and flies", referring to high and low ranking corrupt officials.

Yin Yanli, an NPC deputy from northeast China's Jilin Province, noted in the SPP work that the number of investigated work-related crimes like embezzlement and bribery had increased. The number of investigated bribers was also higher than the previous year.

According to the report, there were 51,306 persons investigated for work-related crimes in 37,551 cases, an annual increase of 8.4 percent and 9.4 percent respectively.

In addition, a total of 5,515 bribers were prosecuted for criminal offenses, up 18.6 percent from the previous year.

Yin said the increasing numbers represent more and more people who seek private gains through power are being punished. This is a testimony to China's constant and unyielding crackdown on corruption.

According to the work report of the CPC Central Commission for Discipline Inspection (CCDI), discipline inspec-

tion agencies punished about 182,000 officials nationwide in 2013, 13.3 percent more than in 2012. Thirty-one high-profile officials were investigated by the CCDI itself and eight of them were handed over to prosecutors.

Moreover, China's procuratorates investigated and punished 210 prosecutors in 2013 for violating laws and regulations, as part of an ongoing campaign to "eradicate the black sheep" from among the judicial staff, according to the SPP report.

Wang said investigation of corruption cases certainly needs judicial authorities, yet the investigation could not be done without a steadfast resolve of the CPC to combat corruption.

During a CPC disciplinary watchdog meeting in January, President Xi Jinping said: "Do not let regulations become 'paper tigers' or 'scarecrows,'" and pledged intensified endeavors to hold officials accountable for wrongdoing.

Xi said every CPC official should keep in mind that all dirty hands would be caught. Senior officials should hold Party discipline in awe and stop taking chances.

Since the Chinese Lunar New Year in February, at least four ministerial-level officials have been investigated for suspected disciplinary and legal violations.

They include Ji Wenlin, former vice governor of south China's Hainan Province, and Shen Peiping, former vice governor of southwest China's Yunnan Province.

Professor Wang Yukai of the Chinese Academy of Governance said the investigation of more high-level officials starting this year again lends credibility to the CPC's anti-corruption resolve.

Moreover, it continues to bolster the notion that no one is "off-limits" in corruption fight, said the professor.

Cao Jianming, the top prosecutor, said in the work report that greater efforts would be made to improve investigation and prevention of work-related crimes.

Procuratorates will resolutely crack down on work-related crimes among officials as well as such crimes undermining the interests of the public, Cao said in the report.

Deputy Wang Yuankai, said President Xi had said "power should be restricted by the cage of regulations" and he would expect the central authorities to deliver concrete measures to achieve that goal this year. (Xinhua) ■



Make fully use of inspection tour system to supervise governmental bodies— that's the clear requirement from the report of the 18th CPC National Congress. Shang Haichun

# Highlights of work report of China's Supreme People's Court

## Work in 2013

– The SPC heard 11,016 cases of various types, up 3.2 percent over 2012, and concluded 9,716 cases, up 1.6 percent. Local courts at various levels heard more than 14.21 million cases of various types, up 7.4 percent over 2012, and concluded 12.95 million cases, up 4.4 percent.

– Chinese courts concluded 954,000 criminal cases in first trials, convicting 1.16 million people.

– Chinese courts concluded 250,000 cases of severe crimes, including homicide, kidnapping, robbery, planting bombs, organized crime and human trafficking. A total of 325,000 criminals involved in these cases were convicted and punished.

– About 99,000 people were convicted of drug-related crimes.

– The SPC issued a judicial explanation on the criminal cases of spreading harmful rumors and intentionally inciting unrest.

– The SPC issued a judicial explanation on the criminal cases of defamation on Internet.

– Chinese courts convicted and punished 31,000 criminals in 29,000 cases of embezzlement, bribery and breach of duty, including several serious cases such as Bo Xilai, former Party chief of Chongqing Municipality, and Liu Zhijun, former minister of railways.

– Chinese courts acquitted 825 people for lack of evidence and reasonable doubts last year.



Zhou Qiang, president of China's Supreme People's Court (SPC), delivers a report on the SPC's work during the second session of China's 12th National People's Congress (NPC) at the Great Hall of the People in Beijing on March 10. Yao Dawei

– Chinese courts closed 121,000 administrative cases in first trials and 2,045 cases of seeking State compensation involving 87 million yuan (14 million U.S. dollars).

– Courts of all levels received about 539,000 visits from petitioners last year, 10.2 percent fewer than 2012.

– The SPC set up a national database of court order defaulters and worked with several government departments to punish 72,000 defaulters. About 20 percent of defaulters fulfilled their duties on their own.

– About 45,000 trial proceedings were published on public media, including sev-

eral high-profile ones such as the trial of Bo Xilai.

– The SPC opened a website to publish judgement documents. So far about 3,900 SPC judgements and 1.65 million ones from local courts have been published.

– The SPC opened official accounts on Sina Weibo and WeChat, two of the country's leading social media tools.

– Citizen jurors took part in trials of 1.7 million cases, which accounted for 73.2 percent of all first-trial cases.

– A total of 381 judges and court staff were caught misusing their power and violating disciplines and laws, 101 of whom were prosecuted.

## What to do in 2014

– The SPC will put up a severe fight against crimes harming national security, including terrorism.

– The SPC will step up the efforts against corruption and maintain high-handed posture on embezzlement, bribery and breach of duty.

– The SPC will properly handle disputes occurring in the process of reforms in line with laws.

– The SPC will deepen judicial reform by improving transparency and exploring a way to set up a jurisdiction system of courts that is not completely based on administrative divisions.

– The SPC will strictly implement the rules that hold judges responsible for wrong verdicts. (Xinhua)



The second session of the 12th National People's Congress (NPC) is held at the Great Hall of the People in Beijing on March 10. Li Gang

# Highlights of work report of China's Supreme People's Procuratorate

## What was done in 2013

– Approved the arrest of 879,817 criminal suspects and prosecuted 1.32 million criminal suspects.

– Approved the arrest of 500,055 suspects and prosecuted 580,485 on violent crimes, crimes related to mafia-like organizations and drug-related crimes, among others.

– Formulated the opinion on the punishment on sexual assaults against minors in accordance with law in collaboration with other authorities.

– Approved the arrest of 2,395 suspects on trafficking of women and children.

– Investigated 51,306 people in 37,551 cases of work-related crimes including graft, bribery, dereliction of duty and infringement of rights.

– Investigated 2,871 public servants above county levels, including 253 at city levels and eight at provincial and ministerial levels, in 2,581 cases of graft, bribery, and embezzlement of public funds involving more than 1 million yuan (about 163,300 U.S. dollars).

– Cracked down on crimes which sabotaged elections and infringed on citizens' democratic rights.

– Investigated and punished 11,948 administrative law enforcers and 2,279 judicial staff on abuse of power for personal gains, embezzlement and bending the law for personal interests, and dereliction of duty.

– Brought criminal charges against 5,515 people for offering bribes, an increase of 18.6 percent year on year.

– Retrieved illegal gains worth of 10.14 billion yuan, and arrested 762 suspects of work-related crimes who had been on the run.

– Dropped arrests of 100,157 people and dropped prosecution of 16,427 people on grounds of insufficient evidence and failing to constitute crimes, an increase of 9.4 percent and 96.5 percent year on year respectively.

– Rectified mishandling in granting commutation, parole and temporary execution of sentence outside prison for 16,708 people, an increase of 16.8 percent year on year.



**Cao Jianming, procurator-general of the Supreme People's Procuratorate (SPP), delivers a report on the SPP's work during the second session of China's 12th National People's Congress (NPC) at the Great Hall of the People in Beijing on March 10.** Wang Ye

– Investigated and punished 4,549 public servants in commercial bribery cases.

– Investigated and punished 8,173 people suspected of work-related crimes in project bidding, fund management, and quality supervision.

– Prosecuted 84,202 suspects on serious economic crimes, including financial fraud, contract fraud, insider trading, illegal fund-raising, and pyramid selling.

– Prosecuted 8,802 suspects on infringement of right to trademark and patent, copyright and commercial secrets.

– Prosecuted 10,540 suspects involved in food-safety and fake drug cases, an increase of 29.5 percent year on year.

– Investigated 1,066 people in 685 cases of suspected dereliction of duty and bribery that were related to serious accidents such as fires and mine accidents.

– Prosecuted 20,969 suspects for involvement in major environmental pollution accidents, illegal mining, and illegal and reckless felling.

– Investigated and punished 1,290 people suspected of work-related crime involving environmental oversight, pollution control, and ecological restoration.

– Investigated and punished 210 prosecution staff for acts of breach of discipline or the law, and brought criminal

charges against 26 of them.

## What to be done in 2014

– To provide judicial support for comprehensively deepening reforms by helping regulate the market's economic order, cracking down on serious economic crimes, investigating work-related crimes involving public funds, State assets, State-owned resources and urbanization, and protecting legitimate interests of State and non-State enterprises on an equal basis.

– To maintain social stability through lawful crackdown on hostile forces that target to separate, infiltrate and overthrow the country, on terrorism and violent crimes, and on crimes that could seriously undermine social and public security and safety of people's lives and property.

– To intensify efforts to investigate, punish and prevent work-related crimes with zero tolerance for corruption.

– To intensify supervision, promote strict law enforcement and uphold justice by focusing on rectifying illegitimate practices such as prosecuting cases on a selective basis, collecting evidences in an illegal manner, the abuse of compulsory measures and imposing improper sentences.

– To strengthen reforms from within the procuratorates, by focusing on improving the judicial aid system and judicial openness, and legalize the system of people's supervisors.

– To strengthen team building among procurators, and eradicate the "black sheep" from within the prosecutors. (Xinhua)



**Procurators from the Supreme People's Procuratorate (SPP) attend the meeting while the procurator-general Cao delivered a work report of SPP on March 10.** Qi Heng





## No need for nerves over China's defense spending

On March 22, 2013, the Chinese army attending the UN Peace Keeping troops in southern Lebanon hold the 10th shifting ceremony in Hania Village. During their stay in Lebanon, the engineer battalion fulfilled numerous tasks, such as mine clearance and humanitarian aids. Altogether, they've cleared 36 mines, set up 15 columns and provided medical aid to 5,398 people. All the 275 officers and soldiers are awarded the UN Peace Keeper award. *Qian Zongyang*

According to a budget report submitted to the second session of the 12th National People's Congress on March 5, 2014, China's military expenditure will grow by 12.2 percent to 808.2 billion yuan (about 132 billion U.S. dollars) in 2014.

The figure will most certainly draw ire from the West.

In recent years, China's rising military prowess has attracted increasing attention worldwide, with some claiming an ever-growing China could be seeking "dominance" that might undermine stability in Asia.

But critics of China's defense policies are looking at the wrong country in their search for the source of regional instability.

Although China's defense budget has been growing at a steady pace over the past four years, military experts have said the country's military spending is still far from the level it needs to be, as the country faces increasingly severe security challenges.

According to Chen Zhou, a researcher with the Academy of Military Sciences and a national lawmaker, China is currently under mounting strategic pressure, as the Asia-Pacific region has become a global geo-political and economic center, with some major powers "speeding up strategic adjustments and strengthening military alliances."

Facing rising maritime security tensions, territorial disputes and terrorist threats, China's military expenditure is indeed moderate in scale and in line with the country's economic and security conditions.

In addition, China's military spending is still dwarfed by that of major world powers, both in terms of its share in GDP and per capita.

A report released by London's International Institute for Strategic Studies showed the United States remained the

world's biggest defense spender in 2013, with a budget of 600.4 billion U.S. dollars in 2013. The figure was close to five times as much as that of China in the same year.

Meanwhile, the share of national defense spending in China's GDP stood at less than 1.5 percent last year, well below the world average of 3 percent.

In per-capita terms, China's military spending is equal to less than five percent of that of the United States. Even Japan could easily overshadow China in this regard.

Although China boasts a territory some 26 times as large as Japan's and a population nine times larger than the latter country, its per-capita spending in national defense represents only about 20 percent of Japan's.

In fact, if one is to seriously look for a cause for alarm in Asia, one should fix a gaze on Tokyo, where a nationalistic prime minister has turned his administration into a regional troublemaker.

Speaking to reporters on March 4, 2014, Fu Ying, spokeswoman for the second session of the 12th National People's Congress, said a country's military power should be viewed in terms of its policy trends, rather than mere figures.

China has stated repeatedly over the years that the country is on a path of peaceful development and its defense policies are purely defensive in nature.

Increasing military expenditure by no means implies any change here.

China is a responsible player in maintaining regional peace and security, but just as Fu said on March 4, "peace can only be maintained by strength."

It is not good news for world peace and stability if a country as large as China is unable to protect itself, which is the underlying logic for China's growing military spend. (Xinhua) ■

# Good year-end 'to secure 7.5 percent growth target'



On March 10, NPC deputies (L-R) Wang Chang, Xu Yiping, Xie Chaoying and Wang Hailin attend a joint press conference on industrial restructuring, in Beijing. *Xiao Yijiu*

**A**s positive economic factors are likely to emerge in the second half of this year, the 7.5 percent growth target set by the government will be met, scholars at the nation's top economic planning agency said.

"The positive factors will build up as time goes by. The economy will become better in the second half of this year, and guarantee the realization of the target for the whole year," said Song Li, deputy director of the Institute of Economic Research under the National Development and Reform Commission.

His remark came as some economists have become increasingly doubtful whether China could achieve the 7.5 percent GDP growth. China faces several challenges, including massive excess capacity in some industries, mounting local government debt, slowing growth in property prices and lurking risks in the financial sector.

According to Song, two major factors for growth are the improvement in external demand and the reform dividend, whose effects will be more salient in the second half.

China's exports in January beat estimates to rise 10.6 percent year-on-year, but plunged 18.1 percent in February from a year earlier, adding uncertainty to the sector.

Premier Li Keqiang promised in the work report he made to NPC annual session on March 5 to push ahead a slew of reform initiatives, including further cutting administrative

review and approval items for businesses, pushing forward hybrid ownership in the State-owned sector and reform of the fiscal and taxation system.

Sun Xuegong, another researcher at the Institute of Economic Research under the NDRC, said structural reform and growth are not necessarily mutually exclusive, and reform requires a certain level of economic growth.

"There is already a lot of talk that when growth is too fast it is not a good time for reform. But what has not been discussed much is when growth slows too much, it is not good for reform either, as decelerated growth and a stagnant living standard will curb the need for industrial upgrading," Sun said.

Another concern among economists is that growth will be dragged down by slowing investment, because fixed-asset investment accounted for about half of the country's growth in the past few years. The NDRC's report this year has already lowered its expectation for fixed-asset investment to 17.5 percent, down from 18 percent a year ago.

Song acknowledged there are many negative factors in investment, including a glut of capacity in some industries, and rising borrowing costs. But he also pointed out a number of "bright spots" for investment.

One is the fast growing investment in strategic and emerging industries, such as biotechnology, new materials and alternative energy.

For traditional industries, there is also enormous demand for technological renovation and equipment upgrading.

In the long term, the rising of information technology and the service sector is also one of the bright spots, Song said.

For the property sector, he said demand remained robust in many county-level cities as massive numbers of migrant workers, after earning money in large cities, buy houses in their hometowns.

Separately, the consumer price index, a main gauge of inflation, increased 2 percent year-on-year in February, down from 2.5 percent in January, the National Bureau of Statistics said on March 9. (China Daily) ■



A farmer from Shanting district, Zaozhuang in Shandong Province harvests corns by using machinery on September 28, 2013. *Zhang Qiang*



On March 13, He Peiyun (R) from Huaxian county in Weinan, Shaanxi Province applies for her passport thanks to a recent policy on passport application. Before that, people from Huaxian had to go to Weinan for passport application. *Ding Haitao*



Workers at a foundry process high-temperature steels on December 13, 2013. *CFP*

# Promote healthy development of Internet finance

China will promote the healthy development of its burgeoning Internet finance, according to a government work report delivered by Premier Li Keqiang on March 5, 2014.

“We will promote the healthy development of Internet banking,” said Li. This is the first time that Internet finance has been written into the government work report.

Financial products like Yu'E Bao, invented by e-commerce giant Alibaba's online payment arm Alipay, have been instant hits among the Chinese public.

Chinese people have pulled money from traditional banks, which offer a maximum 3.3 percent interest rate for one-year deposits, and moved it to web-based money market funds like Yu'E Bao, which offers a seven-day annualized yield of nearly 6 percent.

The better interest rate enabled Yu'E Bao to attract 81 million users with aggregate deposits estimated at around 500 billion yuan (81 billion U.S. dollars) in just eight months.

Commercial banks have felt the pressure. The State-backed “Big Four” launched a host of quasi-Yu'E Bao products, trying hard to retain prospective depositors.

“Being zero-cost and convenient, Internet finance adapts to and satisfies social demand, and fills a gap that the traditional banks do not care to look at,” said Kuang Xianming, head of the economic research center at Hainan's China Institute for Reform and Development.

Kuang called Yu'E Bao “an example of innovation shaped by market forces.” This is echoed by Ma Weihua, former president of China Merchants Bank who is in Beijing for the annual session of the National Committee of the Chinese People's Political Consultative Conference.

Ma considered the popularity of Internet finance fully understandable, as its low threshold is quite a lure for those living away from cities or practitioners of small or micro businesses.

Although Yu'E Bao and its peers are nimble and attractive and filled an important innovation gap, experts have warned that they are not risk-free and should be regulated to avoid any adverse effect on the general economy.

China International Capital Corporation said in its latest research note that Yu'E Bao has placed 92 percent of its assets in interbank deposits and used the different terms of maturity between investors to reap high interests.

“As the assets of Internet finance products like Yu'E Bao increase, so will their liquidity management pressure,” said



Lü Suiqi, deputy dean of the finance department at Peking University, adding that such money funds rely too much on interbank deposits for high interest.

Their ability to bargain with traditional banks will weaken as market liquidity improves and more competitors enter the race, he said.

The Internet finance debate has drawn attention from the country's top legislators and political advisors even before the annual sessions started, with some reportedly bringing proposals on its regulation.

In response, Zhou Xiaochuan, governor of the central bank, said on March 4 that China will not ban Internet finance, but will improve regulations in the area.

“Improvements must be made in existing policies, supervision and regulation as they cannot cope with new things such as Internet finance and guide its healthy development,” said Zhou.

Li Dongsheng, an NPC deputy and head of TCL Corporation, one of China's leading consumer electronics makers, said the word “healthy” in the premier's report delivers a signal to regulate and guide the development of the booming sector.

“A key task for regulators is to direct funds raised by Internet companies into the real economy,” said Mei Xingbao, a political advisor and former president of the State-owned China Orient Asset Management Corporation.

Mei suggested a solution to match the Web-based funds with specific projects, like those in environmental protection and new energy, but added policy support might be necessary in this regard.

In Premier Li's report, the government also suggested that financial services should better serve the real economy.

“We will ensure that financial services play an active role in meeting the needs of the real economy, including small and micro businesses, agriculture, rural areas, and farmers,” Li said. (Xinhua) ■

## Harsh measures pledged on **food safety**



On March 5, a girl from Little Bee Daycare in Shaanxi Normal University, Xi'an, Shaanxi Province has lunch. *Ding Haitao*

**D**ing Na has lost confidence in the farm produce sold in neighborhood markets following a spate of food scares.

Frustrated at the potential negative health effects of high levels of pesticide residue and hormones on vegetables and in meat for her little boy, Ding, a government employee in Beijing, has turned to organic food.

Four years ago, the 33-year-old started buying organic food in supermarkets. A year ago, she began to order vegetables, meat and eggs from an organic farm in the suburbs of Beijing.

"Of course, the cost is much higher, but we just spend the money to buy a sense of safety."

Beijing resident Liu Mingxi is also haunted by food safety. Liu has downloaded three apps to her mobile phone to find advice on safe things to eat. She also buys organic fruits and vegetables at a farmers' market held during the weekends.

Ding and Liu are not alone. According to a survey conducted by people.com.cn ahead of the annual sessions of the national legislature and political advisory body, which kicked off in March, 2014, food and drug safety came in third on a

list of hot issues, outranked only by social security and the anti-corruption crackdown.

Young urban residents are increasingly turning to green and organic food. Many young parents even go to the trouble of buying infant formula from overseas.

China's food industry has faced a crisis of confidence amid a series of food scares in the past eight years, including cancer-causing turbot fish, melamine-tainted milk powder, dyed steamed buns, cadmium-tainted rice and clenbuterol-contaminated pork.

Li Wu, a member of the national committee of the Chinese People's Political Consultative Conference, said that besides the excessive use of pesticides, fertilizers and antibiotics, soil and water pollution are also a source of food contamination.

To address the widespread concern, Premier Li Keqiang on March 5 said the government will strictly enforce laws and regulations, pledging the most stringent supervision and toughest punishment for unscrupulous producers and negligent officials.

In the government work report delivered at the opening ceremony of the annual session of the National People's Congress, Li said the government will also set up a supervision system to cover the whole food production and logistics process as well as a traceability system.

Some NPC deputies said that Li's promise showed the central government's determination to tackle food safety.

The Chinese government has started to acknowledge the severe food safety situation and has sought to safeguard food safety with more mechanisms, laws and regulations, said NPC deputy Fu Qiping. The lawmaker suggested that the government raise the punishment for food safety violations.

At a press briefing on March 4, Fu Ying, spokeswoman for the NPC annual session, said the top legislature will work on 68 bills in the next five years, including a revised food safety law.

According to draft amendments to the food safety law released in late October, China will triple the fines for severe food safety violations. Meanwhile, people jailed for food safety violations will be banned forever from the food industry.

He Tao, president of the Sichuan provincial restaurants and catering industry, echoed the premier's pledge.

"We are mulling setting up a credibility system involving suppliers, restaurants and the government to ensure food safety," said He.

Past food safety incidents have exposed loopholes in the food supply chain, and therefore regulators should beef up supervision over every link of the chain, He added.

"I hope the authorities will implement strict food industry supervision and raise the punishment for food safety violators," said Ding. "Otherwise, the consumer confidence in the domestic food industry will not fully recover." (Xinhua) ■

# War declared against pollution

**P**remier Li Keqiang “declared war” against pollution on March 5, 2014 and pledged to fight it with the same determination the country battled poverty, as choking smog has become major environmental and health concerns.

The government will take strong measures to prevent and control pollution with the focus on mega cities and regions with frequent occurrence of smog, Li told lawmakers in his first government work report at the annual session of the National People’s Congress.

Smog is affecting larger parts of China and environmental pollution has become a major problem, which is nature’s red-light warning against the model of inefficient and blind development, Li said.

He said the government will start by reducing emissions of PM10 and PM2.5, particulate matters in air smaller than 10 and 2.5 micrometers respectively, which are believed to be hazardous to health and major contributors to smog.

A total of 50,000 small coal-fired furnaces will be shut down this year and cleaning technologies, including desulphurization, denitrification and dust removal, will be introduced at coal-burning power plants, according to Li’s report.

Six million old high-emission vehicles will be removed from the roads, and cleaner diesel fuel for vehicles will be provided nationwide this year, Li said.

The government will also implement a clean water action plan, strengthen the protection of drinking water sources, prevent and control water pollution in key river basins, and carry out land restoration.

## Letter of commitment

Miao Xuegang, NPC deputy and head of the environmental protection department of east China’s Anhui Province, said that Li’s declaration is “a letter of commitment from the government.”

Ai Nanshan, a professor at Sichuan University in southwest China’s Chengdu City, said the government shoulders a major responsibility in dealing with pollution.

“You can not get a beautiful GDP figure at the cost of environment,” said Ai, a researcher of environment studies.

Local officials will have no desire to tackle pollution if

gross domestic product (GDP) remains a solely important element in the evaluation of their performance, Ai said.

Zhang Wenxin, deputy head of Xinbin County of Northeast Liaoning Province, said an effective official assessment mechanism should be established to encourage local officials to put more efforts in environmental protection.

Zhang is in charge of environmental protection affairs of the autonomous county of ethnic Man.

A document issued by the Organization Department of the Communist Party of China Central Committee in December vowed sweeping changes in officials’ performance assessment mechanism.

It laid out a plan to add environmental and social aspects to officials’ assessment. It put a greater emphasis on balanced and sustainable economic development in the hope of making officials think twice before embarking on projects that may devastate environment.

There has been an increasing call that the growth-at-all-costs economic model, which has tainted China’s air, water and soil, must come to an end.

The State Council, China’s cabinet, issued the Air Pollution Prevention and Control Action Plan in September last year to control PM2.5.

The action plan requires PM2.5 in populated regions and metropolises to be reduced significantly by 2017. At least 15 provincial governments have promised “marked improvement” in air quality in five years.

Among them, Beijing plans to throw 760 billion yuan (124 billion U.S. dollars) into these efforts. Its neighboring province of Hebei has vowed to depose any official that allows more steel or cement production than a mandated quota.

Shanghai has also proposed better coordination with provinces on the Yangtze Delta in work to reduce emissions.

“The war against pollution demands concerted efforts from departments of environmental protection, planning, forestry and law enforcement,” said Miao, NPC deputy from Anhui.

“The public should also make their own contribution,” he said.

The “war against pollution” also provides an opportunity for the development of green economy that can both reduce emissions and create employment

and tax revenues.

Li said in his report that China will speed up the development and use of energy-efficient and environmentally friendly technologies and products and turn energy conservation and environmental protection into dynamic sunrise industries.

Yang Bin, an environmental protection advocate, called for the government to offer preferential taxation and financing policies to green businesses to boost their incentive to invest and make the environmental industry a sustainable business. (Xinhua) ■



Above: The Temple of Heaven in the mist morning of February 22

Below: People take exercise under the clear sky at the Temple of Heaven in Beijing on February 27.

Photos by Gong Lei

# In-home nursing gains popularity in aging China



On September 24, 2013, staff from the Qingcheng Community, Gulou District, Fuzhou City are providing daily care for the 86 years old Liu Yubi (L). Wei Peiquan

**I**n-home nursing is emerging as a new choice in easing the pressure of China's aging population.

In early March, the Chengguan District Virtual Nursing Home in Lanzhou City of northwest China's Gansu Province announced that it will incorporate more healthcare options as the services of this in-home care agency enjoy growing popularity.

According to local government data, by the end of 2012, more than 220,000 seniors had accessed the services of the agency since it began operating in 2009.

In-home care agencies, also dubbed "virtual nursing homes," guarantee similar services as brick-and-mortar nursing homes. But they are delivered directly to people's addresses instead of in residential nursing facilities, which are generally very crowded.

The trend is taking on prominence as China grays more rapidly and conventional homes for the elderly face a shortfall in resources.

China now has a staggering 200 million people aged 60 and over. The number accounts for 14 percent of the total population, and is expected to surge to 400 million in 2050.

But the country had a mere 40,000 nursing homes by the end of 2013. With less than 3.9 million beds available in those facilities, pressure from the glut is overwhelming.

It is in this context that virtual nursing homes have sprung

up in provinces including Jiangsu, Gansu, Hunan and Anhui, offering convenience and slashed demand on resources. The first opened in Suzhou in east China's Jiangsu Province in 2007.

## Emerging industry

Governments at all levels in China are taking pains to guide the development of virtual homes for the elderly.

In 2012, the municipality government of the northern city of Tianjin blazed the trail by teaming up with a domestic service provider called Emotte, extending the company's broad range of services to local communities, including house cleaning and meal deliveries.

In the past two years, a total of 14 traditional nursing homes in Tianjin have jumped on the bandwagon of offering door-to-door services to local seniors, a move which has proved economical while serving more customers.

The fledgling industry has won much praise from the aged, who tend to be more comfortable in the familiar environment of their own homes than in crowded nursing facilities.

Yin Yanbang, an 86-year-old Tianjin resident, said that he



Above: Yang Luoqing (L), the attendant for the seniors, does cleaning for the old ones.

Below left: An old lady calls the information service center for help. Those who have already registered in information center are capable of enjoying the services like emergency aid, daily life care, medical assistance, information consultancy.

Below right: Staff from senior information service center, Tianxin district in Changsha, Hunan Province, receive phone calls. Services are provided according to the different needs of the seniors.

Photos by Bai Yu

prefers the new model because he can stay at home and enjoy domestic services by simply making a phone call to the service provider.

Lin Shoujie, another Tianjin resident, shares the same view. Meal deliveries have saved him the trouble of cooking and contributed to his recovering health thanks to the nutritious food.

Li Ling, a carer who works for Emotte, attributed the company's popularity to its system of performance-related pay.

"I never shirk my responsibilities because my salary is directly linked with my performance," Li said, explaining that she gets her monthly income only after her client has given positive feedback to her employer.

Home-based nursing can also comfort old people's children working far away because they know that their parents are safe and sound at home and carefully looked after, according to Chen Li, an official with the Commission for Political and Legal Affairs of the Communist Party of China Central Committee.

## Lurking problems

However, while the burgeoning industry is booming, it also faces a thicket of barriers that might stymie its future development.

"Some companies or nursing homes have worked with government bodies, while others just work on their own," said Fu Yanjuan, who is in charge of Emotte's branch in Tianjin.

Fu said that without sufficient tie-up with government bodies, it would be difficult for agencies like Emotte to win trust from the elderly.

Li Jiajun, president of Tianjin University, believes govern-

ments should initiate favorable policies and pump extra subsidies into these agencies as well as conventional care homes to assist their development.

"But governments are not omnipotent, and that means families and society should make joint efforts in the wake of a graying nation," Li added.

Zhang Surong, managing director of Huaxiajinguo Community Service Co. Ltd., a domestic services company in Anshan City of northwest China's Liaoning Province, agrees.

Zhang said that China should step up efforts in training staff in this field, urging that "the government could consider subsidizing staff to cut the costs on the side of traditional nursing homes and companies."

In addition, authorities should ramp up supervision and up the threshold for domestic service providers to ensure quality, suggested Li Jiajun.

"To guarantee the quality of healthcare, meals and so on, certain quarantine institutions need to be set up to supervise the services, but such watchdogs are lacking at the moment," Li said. (Xinhua) ■



## Defying challenges, China's rural reforms to bring changes

Xiaogang Village in Fengyang County, Anhui Province is one of the most famous rural reform village in China. From 2012, they started transferring farmland on voluntary and compensation basis. The picture shows that Chu Yuancai, an expert in planting gourd is introducing his experiences. Guo Chen

**A**s spring approaches, Yan Deyou and several hired farm workers are busy plowing his large plot of land before planting crops.

Unlike most rural households in China who own small plots of farmland, the 43-year-old runs a modern agricultural park with 200 mu (about 14 hectares) of farmland leased from fellow villagers.

"As the farm expands, large machinery will be used on more land. Farm work will not be as tough as before," said

Yan, a villager in Xiaogang, Fengyang City in the eastern province of Anhui.

Yan's operation is in sharp contrast to the traditional agricultural model found in Xiaogang, the epitome of China's last round rural reforms.

In 1978, 18 farmers in Xiaogang signed a pact to resist the egalitarian agricultural system. The pact allowed them to manage agricultural production on their own under the household contract responsibility system.

The practice encouraged farmers' enthusiasm in farm work and boosted agricultural productivity. It was later promoted across the country.

But from the late 1980s, China shifted its reform priority to urban areas. In the following decades, rural areas saw slow growth and farmers reported low incomes.

During the period, younger rural residents shunned farm work and went to cities looking for higher-earning jobs. Therefore, much countryside farmland was looked after by women and the elderly or just left barren.

Yan's new model received a boost when Premier Li Keqiang said in a government work report on March 5 that the government will promote modern farming, guide orderly transfer of land use rights and offer subsidies to encourage the creation of large agricultural parks.

When forecasting a scenario across the vast countryside, Li Chenggui, a former rural policy researcher at the Chinese Academy of Social Sciences and now a deputy director of the Beijing Municipal Commission of Rural Affairs, said more large modern farms are expected to emerge.

Owners of large farms would need extra workers rather than do the farm work themselves, said Li, also a member of the National Committee of the Chinese People's Political Consultative Conference.

Agricultural production received another boost as the government pledged to promote agricultural insurance and other financial reforms to help farmers have easier access to loans.

Ma Xiguo, head of an agricultural cooperative in Lai'an County in Anhui Province, said he welcomed the government efforts.

"We need money to expand production. In the future we will have more collateral for loans," said Ma.

More large farms will emerge as the younger rural popula-

tion go to work in cities, leaving many villages desolate, said Li Changping, president of China Countryside Planning and Design Institute.

About 60 percent of all villages nationwide are expected to disappear eventually, 30 percent will become small towns and 10 percent will merge into cities, said Li Changping.

For the 60 percent, modern farming is an option and for the 30 percent, the government should provide equality in access to social security, education and health services, Li Changping said.

The central government is also looking to tackle challenges that arise from urbanization, seen as a new economic growth engine.

Liu Li, a deputy to the National People's Congress, or the top legislature, said, "I hope that one day, schools in the countryside will be as good as those in the cities and more children of farmers will have opportunities to enrol into key universities."

"I hope that rural residents will not need to go to city hospitals when seeking medical treatment. For migrants in cities, I hope they can enjoy equal access to social security and other public services," Liu said.

Without equal treatment, many migrants would eventually return to their hometowns. In that time they may have become ghost cities or villages with many social problems, said Li Changping.

In his government work report, Premier Li pledged to address concerns and meet expectations.

China will promote a new, people-oriented urbanization roadmap that attaches importance to ecological protection and cultural heritage, he said.

The premier pledged to allow children of migrant workers to go to schools in cities where they work and cover all such employees with the same basic public services. The government will seek to provide good education so that every child has equal development opportunity.

At the moment, tens of millions of migrants have no choice but to leave their children in their hometowns with their grandparents. These left-behind children are victims of the unequal treatment between the countryside and cities.

Premier Li also promised to raise subsidies for medical insurance, build better hospitals and a unified pension system for its rural and urban population.

Zhang Wenxin, a deputy head of Xinbin County in northeast China's Liaoning Province, backed the central government's pledge to build "beautiful villages".

Zhang said the new policy would help retain diverse rural traditions and cultures, a departure from an earlier policy of demolishing villages and building apartment blocks.

"The villages nationwide will have more diverse cultures. One day, there might be museums and coffee shops in them," said Zhang. (Xinhua) ■



On January 15, Yang Jing (L) plants mushrooms in a greenhouse in Pudonghuasheng solar energy farm in Jimo, Shandong Province, while Wang Xuejian (R) waters his organic vegetables. The greenhouse uses solar battery to provide energy for lighting and temperature-control. In this way, the land can be fully used without raising costs. *Ning Youpeng*



# Poverty eradication needs a target



On May 14, 2013, two students from the migration placement area in Wangping county pass a street with local folk characteristics in Nanchuan district, Chongqing. Local government gives priority to the ecological migration as one of the key measures for poverty elimination. In migration area, the government helps the farmers to increase their income by providing local agricultural and vocational training. *Liu Chan*

Poverty is too familiar a thing for Deputy Zhang Yu, and thus she applauded when Premier Li Keqiang pledged to ensure that relief would reach villages and households in the government's poverty alleviation efforts.

Zhang has seen poverty in its most crude shape: households whose entire belongings are several blankets, a pot for cooking and several bowls.

Such conditions do not represent the majority of the people in her hometown Qianjiang in southwest China's Chongqing Municipality, yet the majority there are just having their basic needs met, said Zhang.

She said disease is the major cause for these households' poverty.

In addition, difficult traffic access is another obstacle.

"It takes nearly two days for many people living deep in the mountains to bring their agricultural products to town for sale. It is impossible for them to walk out of poverty on their own," said Zhang, head of a farmer cooperative.

The lawmaker said she hopes the "targeted measures" vowed in Premier Li's government work report delivered to the NPC deputies on March 5 will one day eventually help those mountain-locked people out of poverty.

The premier urged local governments to merge poverty alleviation resources to make better use of them and ensure that assistance reaches villages and households.

Some NPC deputies commented that lack of targeted measures and scattered relief resources previously prevented impoverished families from receiving the full government assistance that has been allocated.

"Relief funds are not few, but are scattered in different

district government departments that require different conditions for receiving funds," said Zhang.

"As it is difficult to meet all the conditions, the reality is that destitute families cannot receive all the assistance funds," she said.

According to the latest official statistics, there were 98.99 million people living under the poverty line in China as of 2012.

China's poverty line is equivalent to less than 1 U.S. dollar a day, lower than the World Bank level of 1.25 U.S. dollars.

Rural people with an annual net income per capita of 2,300 yuan (337.05 U.S. dollars) or less are classified as poor under the poverty standard adopted in 2011, up from the 1,274-yuan standard used previously.

But the 98.99 million number is based on a sampling survey of people living under the poverty line, exposing the lack of a nationwide database of all poor people.

Wang Guoliang, deputy director of a State Council leading group on poverty alleviation, said earlier this year that China's efforts to combat poverty have long been confronted with problems of not having an exact tally of poor people and their current true conditions.

The problem makes it difficult for the government to find out who the poor people are, why they are poor, how to lift them out of poverty and whether assistance works, he said.

Deputy Jin Chunmei from Hebei Province, said there are some developed regions whose poor counties eligible for State poverty relief are even more prosperous than the most developed parts of poor counties receiving poverty relief.

This fact shows the government does not yet have an accurate picture of regions receiving assistance, resulting in a failure to take targeted measures to help those in real need, Jin said.

A mechanism should be set up to monitor the development of poor counties to review their eligibility for State poverty relief, Jin said.

There are 832 counties that receive poverty relief and preferential policies across the country. The list was first introduced in 1986, when 331 counties were on it.

According to Wang, the government will work to improve its poverty relief policies by accurately identifying the poor population, assigning specific responsibilities to related personnel, and establishing a monitoring system of relief beneficiaries.

The poor population was reduced by 16.5 million last year, and Premier Li said in his report the government will lift more than 10 million people out of poverty this year, pledging "we will continue to fight poverty and prevent poverty from being passed to future generations."

As China strives to finish building "a moderately prosperous society in all respects" by 2020, with six years left on the timetable, the most daunting task lies in rural areas.

At a key conference on economic work last year, the Chinese leadership underscored that farmers hold the key to whether China can achieve the goal. (Xinhua) ■

## Doctor mobility urged in public hospital reform



On January 22, 2013, Dr. Liu Kuilin, who works with the Erqiaojie Community Health Center, explains the medical treatment to a patient. *Xiao Yijiu*

Being doctors isn't easy for surgeon Liu Peng, 32, and his colleagues. All have been subject to violence or verbal assault by patients at some time.

In 2008, Liu needed five stitches when was punched in the eye by a drunk patient as he tried to stop him attacking a colleague at West China Medical Center of Sichuan University in southwest China's Sichuan Province.

The drunk man was deliberately seeking revenge against the public hospital and its staff. Liu felt deeply wronged back then, but as he observes more doctor-patient tensions in his department, he has begun to accept such tension as a part of his life.

"Everyone in my department is used to it," he said.

Intense doctor-patient conflicts are only one of the problems of China's public hospitals, which provide 90 percent of the country's medical services.

Patients complain of high bills and poor quality services. Doctors complain of heavy stress and low salaries. Doctors are over-prescribe to make profits for public hospitals and obtain bonuses.

To end the tug-of-war between doctors and patients as well as other problems, China has promised health care reform this year.

Li Bin, minister in charge of the National Health and Family Planning Commission, said at a press conference on March 6 that authorities will "bite into the hard bone of public hospital reform".

He promised optimal distribution of resources, eradication

of the compensation system for prescriptions, improvements to hospital management and reform to the payroll system, said Li.

In a report to the National People's Congress, China's parliament, on March 5, Premier Li Keqiang talked of expanding a pilot program to about 1,000 county-level public hospitals, dealing with about 500 million rural people.

Full scale reform of the health care system got underway in 2009. Pilot projects for public hospital reform were a priority, along with a basic medical security system, improvement at grass roots level and equal access to basic public health services.

Some big public hospitals in megacities have started to cut patients' spending on drugs and use a system of outpatient services that increases the registration fee for diagnosis and treatment. Such measures have stopped hospitals overcharging through sale of drugs, and increased doctors incomes. Over 300 county hospitals ran pilot programs in 2013.

Qi Enlai, vice president of the Tuberculosis Hospital of Tangshan City in north China, believes the reform is promising and millions of people, especially those in the grass-roots hospitals will benefit from improved medical services.

The orientation of the reform was to make more public hospitals into non-profit organizations, however, local public hospitals are under financial pressure to implement the reform, Qi said.

Government subsidies were not enough to cover the operation costs and hospitals have to make up the shortfall, so it is difficult to implement the reform, he said.

Moreover, doctors at grass-roots communities are underpaid and it was difficult for small hospitals to stay competitive because of the brain drain, he said.

The principal way to solve problems of China's public hospital is to increase the mobility of doctors, according to Zhu Hengpeng, director of the Center for Public Policy, Institute of Economics under the Chinese Academy of Social Sciences.

Public hospitals in China are financed by the State and regulated by health authorities. Instead of opening private clinics, the best doctors in China work for public hospitals because the latter provided them with stable jobs and have the best medical facility. Doctors are bound to public hospitals by agreement and mobility is low for doctors in China, except for retirees.

"Hospitals are run like government institutions," said Zhu, adding the tenure job system offered by public hospitals to its staff is an impediment to innovation.

Doctors should be free to choose their employers or to be self-employed and their income should be determined by their skills instead of the professional titles they hold, he said.

If doctors were freed, there would be more competition and a better health service for grassroots communities, he said. (Xinhua) ■

# Strength of silence

The Great Hall of the People, the very center of the State, witnessed two silent tributes in the “two sessions” of 2014 from China’s most powerful people to victims of a shocking terrorist attack.

In the morning of March 5, 2014, at the opening meeting of the annual session of the National People’s Congress (NPC), around 3,000 deputies held down their heads and stood in silence for a minute for the dead in the killing spree at a railway station in the southwestern city of Kunming.

Last time the NPC paid silent tribute at its annual session was in March 1997 for Deng Xiaoping, the prominent Chinese leader who passed away in February of the same year.

On March 1, a similar ritual was observed at the opening meeting of the annual session of the National Committee of the Chinese People’s Political Consultative Conference, the country’s top political advisory body.

Party and State leaders Xi Jinping, Li Keqiang, Zhang Dejiang, Yu Zhengsheng, Liu Yunshan, Wang Qishan and Zhang Gaoli attended both rituals.

The Kunming attack struck Chinese society hard due to its brutal nature, as knife-wielding assailants indiscriminately attacked the civilians, causing 29 deaths and injuring another 143.

There are many ways to react to such a horrible incident.

Hours after the attack, President Xi Jinping ordered law enforcement agencies to crack the case and “firmly suppress terrorists’ rampant momentum.”

From the public, legislators, and political advisors to foreign governments and international organizations, people denounced the terrorist attack.

But sometimes silence is the loudest.

Kunming residents placed flowers and lit candles in front of the bronze bull statue at the station square, where the attack was believed to have started.

The quiet and spontaneous mourning at the scene and silent tributes in the Great Hall of the People were not simply a ritual. They were moments for reflection and moments for seeking solidarity and strength.

In 2008, Chinese people observed a national mourning day for victims in the devastating earthquake in Sichuan Province, the country’s first such occasion for ordinary citizens.

Two years later, when a strong earthquake hit Yushu in Qinghai Province, government departments and all Chinese embassies abroad lowered national flags to half-staff for mourning just as they do for State leaders.

Behind such respect to life of ordinary people is the Chinese government’s people-oriented governance approach, a gradual, but visible, change in recent years.

In his debut speech as general secretary of the Communist Party of China Central Committee in November 2012, Xi Jinping told media “to meet their (the people’s) desire for a happy life is our mission.”

As for China’s fight against terrorism, those moments of silence may endow it with more strength. (Xinhua) ■

Deputies to China’s 12th National People’s Congress (NPC) pay silent tribute to the victims of the terrorist attack in southwestern city of Kunming on March 1, at the opening of the second session of the 12th NPC in Beijing on March 5. *Jin Shuo*



# China-France ties closer



Zhang Dejiang (front, R), chairman of the National People's Congress (NPC) Standing Committee, and Claude Bartolone (front, L), president of the French National Assembly, walk into the hall to attend a reception celebrating the 50th anniversary of the establishment of diplomatic ties between China and France, in Beijing, January 27. *Sheng Jiapeng*

China's top legislator Zhang Dejiang and French counterpart Claude Bartolone on January 27, 2014 pledged to elevate bilateral ties, during celebrations of 50th anniversary of diplomatic relations.

Zhang and Bartolone made the remarks at a Beijing reception to celebrate the anniversary, attended by some 200 people from both sides.

In his speech, Zhang described the establishment of diplomatic relations with France 50 years ago as a "historic event".

The diplomatic ties set a new model for peaceful coexistence between countries with different political systems and had an immense and profound impact on the international situation, said Zhang, chairman of the Standing Committee of the Chinese National People's Congress.

On January 27, 1964, the two announced ambassadorial diplomatic ties, which made France the first major Western power to set up official diplomatic relations with the People's Republic of China.

Recalling the evolution of the bilateral ties since then, Zhang said the China-France relationship has been in the vanguard of the relationship between China and the West, which has proved the strategic and global significance of the ties between the two countries.

Zhang said mutual political trust based on mutual respect is the most precious asset for the bilateral ties over the past 50 years.

There are new opportunities for the development of the comprehensive strategic partnership between the two countries, Zhang said.

Quoting Chinese President Xi Jinping, Zhang said China and France should give priority to their strategic partnership, support each other and boost cooperation in pursuit of win-win results between the two countries despite the different political systems and cultural tradition.

"We should continue to respect each other, consolidate the strategic trust in each other and boost strategic cooperation to enrich the comprehensive strategic partnership between China and France in a sustainable way," said the

Chinese top legislator.

Zhang also urged the two sides to deepen and expand practical cooperation to turn the potential for cooperation into the real fruits of cooperation, and increase friendly interactions between the two nations to facilitate the fusion of the Eastern and the Western civilizations.

The two sides should also increase communication and consultation on global issues and international affairs to make the world more harmonious.

Zhang said, "as long as we respect and take care of each other's core interests and major concerns, keep the spirit of win-win reciprocity, openness, inclusiveness and common development, the China-France relationship will go ahead in an enduring, healthy and stable way."

**The diplomatic ties set a new model for peaceful coexistence between countries with different political systems and had an immense and profound impact on the international situation.**

Bartolone, speaker of the French National Assembly, said that the establishment of the diplomatic ties was globally influential and showed France's diplomatic tradition featuring independence.

Recalling the all-round cooperation between the two countries since 1964, Bartolone said France and China should advance the bilateral relationship with a long-term perspective, step up political dialogue, boost economic ties and increase people-to-people exchanges between the two countries.

Bartolone arrived in China on March 23 to kick off the celebration of the anniversary. (Xinhua) ■



A reception celebrating the 50th anniversary of the establishment of diplomatic ties between China and France was held in Beijing on January 27. Zhang Dejiang and Claude Bartolone, president of the French National Assembly, attended the reception. Sheng Jiapeng

## China, France celebrate 50 years of unique ties

January 27 marks the 50th anniversary of the establishment of diplomatic ties between the People's Republic of China and the Republic of France. Being the first between China and a Western power, China-France ties have developed beyond ordinary bilateral ties.

The two countries' soft power and interactions have played a key role in the development of this bilateral ties. Both have rich cultural histories and made huge contributions to political thought, literature, art and technology.

Chinese people have long been interested in French literature and culture. Through the works of Victor Hugo, Honore de Balzac, Gustav Flaubert, Alexandre Dumas and Emile Zola, Chinese people have gained a deeper knowledge of France and French culture than other European countries.

The French have a tradition of learning from Chinese culture, too. Sinology flourished in Paris as early as the 17th century. And Chinese culture has attracted greater attention in France with the rise of China in the recent decades.

It was cultural interaction, which began long before world history entered the contemporary era, that laid the foundation of China-France friendship. The friendship was boosted by France's soft power and independent foreign policy, which prompted Paris to establish diplomatic ties with Beijing in 1964 during the Cold War, when the United States and its Western allies viewed China as an enemy. France's bold gesture was welcomed and reciprocated by China.

The policies of former French president Charles de Gaulle have been followed by almost all the administrations after him. Following those policies, former presidents Jacques Chirac and Nicolas Sarkozy, and current President Francois Hollande have developed or strengthened strategic relations with China.

France's soft power also promoted new thinking that played a vital role in integrating Europe into an economic union. Starting from the 1950s, France was the main proponent of European integration, and its role in the formation and development of the European Union is paramount.

After the end of the Cold War, France raised the idea of "a multipolar world", emphasizing the role of the United Nations in promoting dialogue to end confrontations and resolve conflicts. That echoed the foreign policy of China and helped the two countries to work together to the benefit of the entire international community.

As two permanent members of the UN Security Council, China and France have played a coordinated role in maintaining world peace and opposing hegemony. And the similarities in their foreign policies have pushed their ties forward.

Fifty years of friendship is ample evidence that China and France have solid cultural foundations. France and China both are paying more attention to strengthening their soft power which hopefully will further consolidate their relations. (China Daily) ■



↑ On March 19, Zhai Jun (R), Chinese Ambassador to France hands out test papers to students in a middle school in Paris, France. *Chen Xiaowei*



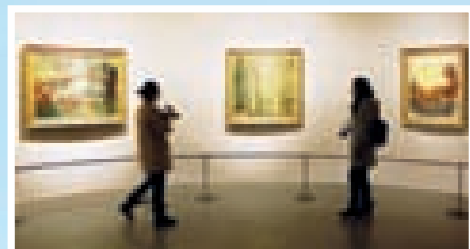
↑ On March 19, a simultaneous math test was held in 50 Chinese and French senior high schools to commemorate the 50th anniversary of the establishment of China-France diplomatic relationship. Organized by the education ministries of China and France, about 30,000 students took the test at the same time. Of which, 6,000 are from France and about 20,000 from China. A group photo was taken for those who take the test in a middle school in Paris. *Chen Xiaowei*



↑ On March 19, the French Consul General (C) hands out badges to students who took part in the test in Guangming Middle School, Shanghai. *Cai Weishuai*



▲ Students with the art troupe of the Experimental High School Affiliated to Beijing Normal University perform Chinese folk music on February 10 in Fontainebleau, France. *Chen Xiaowei*



▲ The first-ever exhibition of Monet on the Chinese mainland opened at Shanghai K11 Art Mall on March 7. The exhibition - Master of Impressionism: Claude Monet - features 40 original Monet masterpieces along with 12 original paintings of other impressionist masters from the Paris Marmottan Monet Museum. *Yuan Jing*



▲ Two tour buses with advertisements to promote Chinese and French culture are seen on the Avenue des Champs Elysees in Paris in March. *Long Jianwu*

▼ Chinese artists attending the fourth Silk Road inspection tour arrive at Eiffel tower, Paris in January 2014. *Wang Baosheng*



# The beautiful port city Ningbo



Ningbo China

