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EDITOR’S DESK
02 China’s Global Positioning System

THIS WEEK

COVER STORY

WORLD
22 Walking a Tightrope
Australia’s doublespeak could hurt ties with China
23 Sino-Arab Relations on Track
Dialogue in Ningxia improves mutual understanding

NATION
26 Beyond Box Office
Beijing film festival becomes talent incubator
28 The Age of the Super Nanny
Baby boom fuels a new demand

BUSINESS
32 Alibaba Powers Ahead
Chinese e-commerce giant is numero uno
36 A Greener Path
Industrial Hebei wages war on pollution
38 Market Watch

CULTURE
42 Sealed in Blood
Sino-American film resurrects World War II heroes
43 Dignity in Adversity
Mauritanian director promotes antiterrorist movie in China
44 Booked!
Cultural company makes reading free and fun

FORUM
46 Should Expired Land Rights Be Renewed for Free?

ESSAY
48 Putting Paris Agreement Into Effect
Deal needs to be in place before Kyoto Protocol expires

CONTENTS
April 24 marked the inauguration of China’s Space Day, designated by the Chinese Government to celebrate the country’s space program. That day’s significance is derived from China’s launch of its first satellite, Dongfanghong-1, in 1970. China’s astronomic industry has made great strides since then. As part of this rapidly advancing sector, the homegrown BeiDou Navigation Satellite System (BDS) has fueled anticipation for China’s technological development.

Since its inception more than 20 years ago, the BDS has evolved into a highly complex system consisting of 22 satellites in service. It is currently available to users in both China and several of its neighboring countries in Southeast Asia. The BDS aims to provide basic services for countries along the Silk Road Economic Belt and the 21st-Century Maritime Silk Road, spanning across Asia, Africa and Europe, by 2018. The goal is to build a network of 35 satellites and offer global coverage by 2020, which will make the BDS an established global positioning system alongside the United States’ Global Positioning System (GPS), Russia’s Global Navigation Satellite System (GLONASS) and Europe’s Galileo satellite navigation system.

In addition to providing basic positioning, navigation and time services like the other three systems, the BDS can also offer users’ location information to other people through text messages. This unprecedented technology is of great significance in disaster relief as well as search and rescue missions in regions where regular telecommunications services are unavailable.

China is developing the BDS as part of its efforts to independently build its aerospace program. The system is hoped to greatly improve the nation’s international status, in addition to promoting China’s social and economic development and safeguarding national security. Some have expressed concern that the BDS will enhance China’s military capabilities. Part of this stems from how the GPS and GLONASS came to fruition. The two systems were born out of the Cold War. Europe’s Galileo is also part of the Common Security and Defense Policy, previously known as the Common European Security and Defense Policy. However, the BDS places greater importance on civilian purposes, such as transportation, marine fishery, surveying and mapping, weather forecasting, as well as disaster prevention and relief.

For instance, with the help of the BDS, container operations at the port of Tianjin in northern China have become more accurate, resulting in added efficiency and reduced costs.

Moreover, China feels it has an international obligation to create the BDS to serve not only itself, but the world at large. China has carried out extensive international cooperation with relevant international organizations as well as countries and regions along the Silk Road Economic Belt and the 21st-Century Maritime Silk Road in developing the positioning system. The expectation is for BDS to serve the world and benefit mankind as a whole.
Visitors attend a *thangka* exhibition in Lhasa, capital of southwest China’s Tibet Autonomous Region, on April 27. The exhibition, featuring some 170 works of three masters and their disciples, aimed to promote the preservation of this traditional Tibetan art form.

*Thangkas* are painted with mineral and organic pigments on cotton and silk canvases. They depict various subjects ranging from Buddhist deities to Tibetan medicine.
Chinese lawmakers will review draft laws on international criminal judicial assistance and national defense transportation this year, according to the plan released on April 22 by the National People’s Congress (NPC) Standing Committee.

The national defense transportation draft law aims to improve coordination between different departments. This year, laws on environmental protection, tax, public culture services and community correction will also be tabled before the NPC Standing Committee for the first reading.

The top legislative body will also review amendments to laws on the Red Cross Society, maritime environmental protection, water pollution and small and medium-sized enterprises.

The NPC Standing Committee will continue deliberating laws on deep sea resource exploration, charities, management of overseas NGOs and cybersecurity.

The Tibetan Medical College of Qinghai University said on April 26 that it plans to recruit five foreign postgraduates this autumn. The Master’s program will last three years, with students taught in both English and Tibetan.

Established in 1987, the college is one of two higher educational institutions in China which train traditional Tibetan medicine practitioners. The other is in southwest China’s Tibet Autonomous Region.

Tibetan medicine, known as Sowa Rigpa in Tibetan, is at least 2,300 years old. It has absorbed traditional Chinese, Indian and Arab medicine elements and is mainly practiced in Tibet and the Himalayan region.

Herbs, minerals and sometimes insects and animal parts are used as medical ingredients. It was put on the list of China’s national intangible cultural heritage in 2006.

Law-Making Tasks

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GPs Pilot Program

The State Council has published its major healthcare reform initiatives for the year, with a general practitioner (GPs) pilot program, and a reduced reliance on drug revenue for health centers.

This year, 200 cities will trial the pilot program, according to the State Council’s statement.

GPs will open their practices to residents, consistently providing them with basic medical services. The plan is part of a tiered health system being rolled out across the country.

To improve local-level medical institutions, the government will allow physicians in public hospitals to have private practice or establish their own practices, according to this year’s health reforms.

Animal Protection

Some animal species, bred under controlled conditions through mature techniques, could be removed from China’s special state protection list and regulated differently from wild populations, according to the newest revisions to the country’s wild animal protection law.

For instance, the Sika deer bred in controlled environments could be removed from the list, as the captive breeding of this species started centuries ago, the Law Committee of the National People’s Congress (NPC) said in a report. It cited suggestions for the first version of the revised draft of the law, which was tabled for first reading last December.

The newest revised draft, which was tabled for second reading on April 25, said carrying out captive breeding programs removed from the state protection list will require permits from the authorities. The sale and utilization of such animals require special tags issued by the authorities to ensure their traceability.

Regulating animal populations bred in captivity and those in the wild in a different way is consistent with internationally accepted practices, the NPC Law Committee said in the report, citing the suggestions.

Rebuilt Life

Premier Li Keqiang talks with local residents about infrastructure reconstruction and tourism development in Longmen, an ancient town in Lushan County, southwest China’s Sichuan Province, on April 24.

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Software Copyright Registration

China processed more than 920,000 new software copyright registrations between 2011 and 2015, 3.8 times the number in the previous five years, according to statistics released on April 26. Registrations rose from around 100,000 in 2011 to nearly 300,000 in 2015.

This works out to an average annual increase of nearly 29 percent over the period, said the report on software copyright registration, issued by the Copyright Protection Center of China, a semi-governmental organization.

During this period, two thirds of new software copyrights originated in Beijing, Shanghai and the three coastal provinces of Guangdong, Jiangsu and Zhejiang.

The increase related to the Internet of Things was the largest, while registrations for apps also rose significantly.

China began to register software copyrights in 1992.

S&T Human Resource

Personnel involved in scientific research and technology development in China had reached 81.14 million, the most in the world, by the end of 2014, said a research report.

The report on China’s science and technology human resource in 2014, issued by China Association for Science and Technology, said the statistics cover people who have obtained a natural science diploma above the junior college level and those who do S&T related jobs despite lacking a diploma.

By the end of 2014, 76.21 million people belonged to the first category and 4.93 million to the second, according to the report.

The profiled average age is 34 and 36.6 percent are women; 68.3 percent of them either have a degree or work in the field of engineering, medicine, science or agriculture.

Reading Wonder

The Zhongshuge Bookstore in Shanghai puts its new branch in Hangzhou into trial operation on April 23, World Book Day.

The local bookshop brand opened its first store in Shanghai’s Songjiang District in 2013. It has been dubbed the “most beautiful bookstore” for its stylized interior decoration.

Nuclear Advancement

Visitors view an ion cyclotron resonant heating antenna, a key part of nuclear fusion facility, at the Chinese Academy of Sciences’ Institute of Plasma Physics in Hefei, Anhui Province, on April 25.

The world-class antenna, manufactured by the institute, was delivered to a French organization in Anhui.

“green model, with highly advanced and budget-saving facilities in flight control, power supply and waste recycling,” according to Zhou.

Earlier this month, U.S. rocket developer SpaceX achieved a world first by landing a Falcon rocket on a carrier at sea.

China paid close attention to the innovation and is testing its own reusable rockets, promising a breakthrough before the end of 2020, according to earlier reports.
Stable Job Market
China’s registered unemployment rate in urban areas stood at 4.04 percent at the end of March, down from 4.05 percent at the end of 2015, the Ministry of Human Resources and Social Security said on April 22.
An additional 3.18 million urban jobs were created in the first three months of 2016, ministry spokesperson Li Zhong said at a press conference.
“The data indicates that China’s job market remains stable,” Li said, attributing the increase and low unemployment rate to the “slower but reasonable economic growth, the government’s deepened reform and innovation drive, as well as pro-employment policies.”
Creating more jobs is one of the Chinese Government’s priorities to keep employment stable as millions of workers face redundancy due to mergers and reorganization in industries faced with overcapacity.
China aims to provide more than 10 million new urban jobs in 2016 and keep the registered urban unemployment rate below 4.5 percent.

‘Internet Plus’ Plan
Investment in broadband Internet in rural areas, support for the development of virtual reality (VR) and encouragement of the sharing economy are highlights of an action plan drawn by the State Council for integrating online and offline commerce.
The government will support more use of mobile Internet, the Internet of Things and big data in marketing, payment and after-sale services to meet consumer needs and reduce consumption costs, according to an “Internet plus commercial circulation” plan released on April 21.
There will be preferential measures to help the construction of logistics and cold chain infrastructure. Under the plan the government will increase spending on such facilities.
Better Internet connections in rural areas and lower Internet service charges will narrow the “digital divide” with urbanites.
The document backed the research and development of VR as well as of wearable devices and suggested more e-commerce firms and farm produce sellers form partnerships.
Local governments were asked to set up funds to support e-commerce and to channel private and overseas capital into the sector.

Business Sentiment Improves
Business sentiment in China is improving as the economy shows signs of stabilizing, new analysis showed on April 22.
Financial information provider Market News International’s reading of business sentiment came in at 50.5 in April, up from 49.9 in March.
The indicator, which has been released every month since 2007, is based on polls of Chinese business executives on business conditions and economic expectations.
The latest increase was in contrast to an average decline of 0.9 percentage points between March and April over the 2011-15 period, Japanese securities trader Nomura said in an analysis note.
Another indicator also pointed to firmer economic stabilization.
The manufacturing activity index for small and medium-sized enterprises, released by China Minsheng Bank and China Academy of New Supply-side Economics, climbed 3.3 percentage points to 46.9 in April.

Supporting Entrepreneurship
The International Finance Corp. (IFC), an arm of the World Bank, announced on April 25 it has invested $15 million in China Innovation Works to support entrepreneurship in China.
The investment will go toward Sinovation Fund III LP, a venture capital fund that focuses on early and mid-stage Internet companies in China. It is the first time that the IFC has invested in such programs in China.
Innovation and entrepreneurship have become China’s new growth engines. They have benefited

Automobile Show
Chinese automaker Eventmotors displays its electric car at the Beijing International Automotive Exhibition (BIAE) on April 25. The 14th BIAE opened that day with more than 1,600 automobile producers from 14 countries and regions joining the auto show.
from increased government policy support of innovation spaces, which the government hopes will boost industrial upgrades and employment.

The IFC’s development priorities in China include clean energy, consumption and technology in KPPQXCVKQP³GNFUUWEJCUGFWECVKQP

Kai-fu Lee, founder of China Innovation Works, pointed out that the IFC’s investment will help them promote its innovative business model of “investment plus incubation,” which has created a strong incubation ecosystem in China, helping mentor local entrepreneurs and provide them with resources both domestically and internationally.

Trading Fees Rise
China’s major futures exchanges have raised trading fees for some futures as risk of overheating loom following days of rapid price increases and alarmingly high market turnover.

Beginning on April 25, the Shanghai Futures Exchange raised the trading fees for hot-rolled steel coils, screw thread steel and petroleum asphalt to 0.01 percent from the current 0.004 percent, 0.006 percent and 0.008 percent, respectively.

Also starting on April 25, the Dalian Futures Exchange raised the trading fees for iron ore and polypropylene to 0.009 percent.

Investors are betting on continued price rebounds as the general economy has shown tentative signs of warming while industry data offered hope of improved supply-demand curves.

The government hopes to prevent huge market swings that could derail the nascent economic recovery.

Green Bond Issuer
China replaced the United States as the top issuer of green bonds geographically in the first quarter of 2016, credit rating agency Moody’s said in a report.

Chinese institutions issued $7.9 billion worth of green bonds in the first three months of this year, nearly half of the global total, according to the report.

Spurred by transactions initiated by China-based financial institutions, global green bond issuance reached $16.9 billion from January to March, nearly three times the volume seen in the same period last year and above the $15.2 billion seen in the fourth quarter of 2015, the report said.

A green bond is an innovative financing method used around the world, directing financial resources to environmental protection.

The Chinese mainland’s first green bond was issued by the Agricultural Bank of China and listed on the London Stock Exchange in October 2015.

Cross-Border Acquisition
The Aviation Industry Corp. of China (AVIC) has acquired a 95-percent stake in Spanish company Aritex, the Chinese state-owned enterprise said on April 27.

During a ceremony held in the northeastern Spanish city of Barcelona, Aritex said the acquisition was completed thanks to cooperation between the two companies.


Aritex will focus on research technologies and add new companies to the value chain, Aritex General Manager David Lopez said, noting that this was a win-win relationship highlighting strong commitment to bringing best technology for costumers.

Describing Aritex as one of the most important producers in Europe, AVIC Chairman Wu Guangquan said that after the acquisition, his company expects to take part in the global industry at a higher level.

China Presence
Fair-goers try virtual reality glasses at Huawei’s stand at the Hanover Fair in Germany on April 26. Some 700 exhibitors from China, second only to the host country in terms of the number of exhibitors, attended the fair.
**ITALY**

Performers take part in a parade celebrating the city of Rome’s 2,769th birthday at the capital on April 24.

**HUNGARY**

Cyclists hold up their bikes during a demonstration at Margaret Island in Budapest on April 25. The protest ride was organized to raise awareness about the need to improve cycling conditions in the city.

**NEPAL**

People in Kathmandu mark the one-year anniversary of the massive earthquake which struck the country on April 25, 2015, leaving nearly 9,000 people dead and tens of thousands of homes destroyed.
THIS WEEK

MEXICO

President Enrique Peña Nieto (right) inspects a petrochemical plant in Coatzacoalcos on April 21 after a deadly explosion, which claimed at least 28 lives.

NORTH KOREA

An underwater test-firing of a submarine ballistic missile is conducted off the country’s eastern coast on April 24.

UNITED STATES

Edwin Mah Lee, Mayor of San Francisco, talks with his constituents after signing a bill that mandates fully paid parental leave on April 21. The city has become the first U.S. municipality to do so.
How to Redeem A Steel City

South Reviews
April 20-May 3

The steel industry registered a poor performance last year. According to the China Iron and Steel Association, its members suffered losses for 12 consecutive months in their core businesses, with the total losses amounting to more than 100 billion yuan ($15.38 billion).

Reducing overcapacity is the top priority for Chinese steel enterprises at present. Currently the industry produces 1.13 billion tons, yet the demand is for only 700 million tons. This restructuring process will involve redundancy packages for 500,000 workers.

Masteel in Ma’anshan, east China’s Anhui Province, exemplifies the dilemma faced by Chinese steel companies. As of February, the company had suffered losses for 16 consecutive months, with last year’s fall totaling 5.1 billion yuan ($780 million). Both Masteel and the city need a transformation. The most realistic option is to cut production by 20 percent and lay off 20,000 workers.

This would work in two ways. Workers quit their jobs but keep a labor contract with the company. They are paid a small compensation each month until they reach retirement age. Alternatively, workers terminate their contracts and receive a certain

“Cooperation between major space players will be conducive to the development of all mankind.”

Zhou Jianping, chief engineer of China’s manned space program, on the occasion of Space Day on April 24, designated to mark the launch of China’s first satellite that day 46 years ago

“It has been two months since I stopped working, and I cannot wait to go back to Tunisia and perform operations.”

Guo Luping, an obstetrician on a Chinese medical aid team to Tunisia, speaking from her hospital bed in east China. Guo was diagnosed with breast cancer earlier this year

Free Trade Zones Take Off

Oriental Outlook
April 21

April 21 marked the first anniversary of the inauguration of the second batch of free trade zones in Tianjin, Guangdong and Fujian. They were set up following the establishment of the Shanghai Pilot Free Trade Zone (FTZ) one and a half years before.

The FTZs have ushered in more profound law and regulation reforms on foreign investment and finance. Although the FTZs have similar functions, they serve different national strategies. The Guangdong FTZ is aimed at promoting economic cooperation between the mainland and Hong Kong and Macao. The Tianjin FTZ serves to boost the integrated development of Beijing, Tianjin and Hebei Province, while the aim of the Fujian FTZ is to deepen economic cooperation across the Taiwan Straits. The Shanghai FTZ was designed to set an example in trade facilitation, the free convertibility of currencies and efficient government supervision.

Reforms in the FTZs require conscientious national planning to prevent financial risks and guarantee the security of domestic industries in the face of greater market liberalization.

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Eliminating the Digital Divide

**People’s Daily**

**April 25**

At a recent symposium on cybersecurity and information technology, President Xi Jinping stressed that the development of information technology should put people first, allowing them to gain more from internet expansion.

China’s Internet users account for a quarter of the world’s total. However, information technology development is unbalanced between urban and rural areas as well as between the east and the west. Websites in east China account for 69.3 percent, compared to mere 18 and 12.7 percent in central and west China, respectively. In addition, poor speeds and expensive fees have restricted the accessibility of Internet services in China.

Globally, an information technology gap between countries exacerbates inequality. For example, some nations take advantage of monopolies in key cyber hardware and software to carry out surveillance on other nations, posing a serious threat to the latter’s cybersecurity.

To maintain online development, China should try to narrow this digital divide. On the one hand, it should guarantee cybersecurity and people’s rights to Internet access by promoting reform of global cyberspace governance and accelerating construction of key information infrastructure.

On the other hand, barriers and local protectionism should be removed to ensure the free sharing of basic public information. The ultimate goal is to provide quick and easy online access to all, no matter how much they earn or which region they’re from.

**Science fiction writer Hao Jingfang** was shortlisted for the Hugo Award for Best Novelette in late April for her sci-fi story *Folding Beijing*. The Hugo Awards are among the most prestigious science fiction awards.

*Folding Beijing*, a novelette published in science fiction and fantasy online journal *Uncanny Magazine*, depicts a virtual Beijing consisting of three spaces. Each time the city “folds,” a new space is revealed.

The story follows protagonist Lao Dao, as he attempts to navigate the complex class barriers of a futuristic city in order to send his daughter to school.

Hao graduated from Tsinghua University with a physics degree in 2006 and is currently undertaking a PhD at Tsinghua’s School of Economics and Management.

“A highlight of the conference was the government’s confidence that religious canons and practices can be made to serve social harmony and progress.”

**Cao Nanlai**, an associate professor of religious studies at Renmin University of China, speaking about a top-level conference on religious affairs in late April

“Our ties with China prove the 12 Unasur countries can speak with one voice and with one opinion.”

**Ernesto Samper**, Secretary General of the Union of South American Nations (Unasur), at a meeting with Yin Hengmin, China’s Special Representative on Latin American Affairs, on April 25
Safeguarding Orphans’ Health Program

每50元善款即可为一名孤儿提供一年期、保障额度为100,000元，
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The excitement in the room is palpable and expectations run high. So does the tension. All eyes are on the monitor as the clock ticks away, each second taking viewers toward the denouement. Then it happens. The carrier rocket blasts off into space from the Xichang Satellite Launch Center in southwest China’s Sichuan Province, launching with precision a navigation satellite into space. The time is 4:11 a.m., the date March 30, 2016.

The satellite is a part of the BeiDou Navigation Satellite System (BDS), China’s indigenously developed navigation satellite system capable of providing positioning, navigation and timing services on a continuous worldwide basis, like the American Global Positioning System (GPS), the Russian Global Navigation Satellite System and the European Galileo.

“BeiDou is China’s as well as the whole world’s,” said Yang Yuanxi, former Executive Chairman of the China Satellite Navigation Conference Scientific Committee. “It will make global satellite navigation more precise, stable and reliable.”

How it began
China started developing the BDS independently in 1994. In 2000, it became the third country after the United States and Russia to have an independently developed navigation satellite system. The BDS is compatible with the American GPS. A receiver can receive signals from both.

The work was planned in three phases. Step one meant starting to build an experimental navigation system in 1994 so that it would provide regional active locating services in six years.

The next step was to construct a regional navigation system from 2004 to cover China and neighboring regions. The system was planned to be able to offer passive locating services to the region in eight years. Active locating requires ground stations which transmit satellite signals to users and calculate users’ location. Passive locating does not need ground stations.

Now the final step is to develop a global navigation satellite system by 2020 that will provide passive locating services. The BDS will be a stable system comprising 35 satellites that will provide reliable service and cover the entire world. By 2020, cellphones and navigation terminal devices all over the world will be able to receive signals from the...
BeiDou satellites.

The BDS test run started in 2011 and one year later, it began to serve customers in the Asia-Pacific region, according to Ran Chengqi, BDS spokesperson and Director of the China Satellite Navigation Office. It covers the area from Iran in the west to the Midway Islands in the east, and from New Zealand in the south to Russia in the north.

Since 2012, after the BDS was officially put into service, it is being used by several Asian countries such as Thailand, Malaysia and Indonesia. Thailand’s Ministry of Science and Technology has signed cooperation projects with Chinese companies with an initial investment of 3 billion yuan ($476.19 million). Many countries along the Silk Road Economic Belt and the 21st-Century Maritime Silk Road are now seeking BDS-related cooperation.

“The BDS will provide service to the world,” said Yang Hui, chief designer of the system.

**Satellite services**

Yang said it must be ensured that the service is stable and continuous. “If we disappoint a user once, the user will no longer trust us. While developing the system, we should always keep users’ needs in mind.”

The newly launched satellite, which makes the system more stable, has some new features. Yang said it is not a mere duplicate of any previous satellite but is an upgraded version. Some of its 278 components have been newly developed, some have been upgraded. Over 90 percent of them have been made domestically, including the core units. Moreover, it can adjust its position better.

The BDS uses fewer geostationary satellites than its foreign counterparts. In 1983, Chen Fangyun, an aerospace measurement and control expert, said it was feasible to carry out satellite positioning with just two geostationary satellites. The first BeiDou satellite, sent into orbit in 2000, used two geostationary satellites to provide location services to China and neighboring areas. The other difference was that it used active locating while the U.S. and Russian systems use passive locating.

The BDS allows two-way positioning, meaning while its user can determine his or
Driven by Innovation

Shanxi, a coal-rich province in north China, sees a large traffic of coal-transporting vehicles. Shanxi BeiDou Positioning Wave Science and Technology developed satellite navigation terminals for vehicles in 2012 and today, Shanxi’s coal-shipping vehicles are equipped with them. It reduces chances of theft and facilitates relief operations in case of accidents.

In the same year, the Ministry of Transport ordered inter-city buses, chartered buses and vehicles shipping dangerous goods to install satellite navigation terminals. The safety measure has created a great opportunity for the commercial utilization of the BDS.

“The BDS can provide location, speed and time information at any time to any place in the world. It can be widely applied in military and civilian sectors, significantly promoting social and economic development,” said Zhang Shengyong, an engineer with the research and development center of Shanxi BeiDou Positioning Wave Science and Technology.

BeiDou in boardroom

According to a report by CI Consulting, a Chinese investment consultancy, currently, over 13,000 companies in China are in the BeiDou industry, which employs nearly 400,000 people. More than 20 of these companies are publicly listed. With the BDS scheduled to cover the whole world, the industry’s prospects are bright. It will attract more companies and investment, the report said.

The Chinese Government supported the satellite navigation industry with favor-
Major Navigation Satellite Systems in a Nutshell

<table>
<thead>
<tr>
<th>Project time</th>
<th>China’s Beidou</th>
<th>U.S. GPS</th>
<th>Russia’s GLONASS</th>
<th>Europe’s Galileo</th>
</tr>
</thead>
<tbody>
<tr>
<td>The project was launched in 1994. On October 31, 2000, the first Beidou satellite was successfully launched. The global navigation satellite system will be completed by 2020.</td>
<td>The U.S. military began planning a worldwide navigation system in the 1970s. The GPS was completed in 1993.</td>
<td>The project started before the disintegration of the former Soviet Union. Russia continued to build the global navigation system independently since 1993. In 2007, the system was put into regional service and in 2009, its service expanded worldwide.</td>
<td>The European Commission announced the plan to build Galileo in February 1999. It is co-managing the project with the European Union.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of satellites</th>
<th>35</th>
<th>24</th>
<th>24</th>
<th>30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location accuracy</td>
<td>About 10 meters; upon completion, expected to be within 1 mm.</td>
<td>About 10 meters.</td>
<td>About 10 meters.</td>
<td>To be within 1 meter.</td>
</tr>
<tr>
<td>Usage</td>
<td>Mostly civilian use but military too to a small degree.</td>
<td>Dual military and civilian use.</td>
<td>Dual military and civilian use.</td>
<td>Primarily for civilian use.</td>
</tr>
<tr>
<td>Latest scenario</td>
<td>22 satellites—60 percent—launched so far.</td>
<td>The second-generation navigation satellite system under construction is expected to have 20 satellites. The location accuracy will be within 1 mm.</td>
<td>The GLONASS-M navigation satellite, launched on February 7 this year, is in operation.</td>
<td>More satellite(s) will be launched this year.</td>
</tr>
</tbody>
</table>

(Compiled by Beijing Review, designed by Pamela Tobey)

able policies during the 12th Five-Year Plan (2011-15) period. As a result, the industry grew at an annual average of 30 percent in that period, said Miao Qianjun, Executive Vice President and Secretary General of Global Navigation Satellite System and Labs Association of China (GLAC).

Miao said last year, the Chinese satellite navigation and location service industry’s output reached 200 billion yuan ($30.77 billion). A long-term plan for the industry, released by the government in September 2013, predicted that by 2020, it would exceed 400 billion yuan ($61.54 billion). Among the 100 key projects mentioned in the 13th Five-Year Plan (2016-20), 36 are related to the commercial application of the BDS and remote-sensing satellites.

Around 2004, the BDS began to be applied in the military. However, civilian usage has since outpaced it. A recent GLAC report says military usage accounts for only 4.08 percent of BDS applications.

“More than 95 percent of BDS users will be in the civilian sector,” said Sun Jiadong, BDS’s general designer, also known as the father of China’s satellite technology.

In the civilian sector, both companies and individuals are using the BDS. Satellite navigation and location technology, if combined with other advanced technologies such as geographic information system, the Internet of Things and big data, would be able to provide more comprehensive services. That is seen as the main development direction of the satellite navigation industry.

The benefits of BDS services have begun to show. For instance, after the Xinjiang Production and Construction Corps, a unique economic and paramilitary government organization in Xinjiang Uygur Autonomous Region in northwest China, began using farming machines with satellite navigation devices, the land coverage rate increased by 5 percent. After using the BDS, Tianjin Port in north China saw its container operations become 100 percent accurate. It resulted in operation costs being slashed by 20 percent.

The BDS is being more and more widely used in people’s daily life, with BeiDou chips installed in cellphones and electric bicycles. The technology is also being used to provide care for the elderly.

“To have a future, the satellite navigation industry must develop technology and terminal devices to be used in mass consumer products,” Yang said. “China has 900 million cellphones in service. If every cellphone is equipped with BeiDou devices, how big the industry would be!”

The Frequency Finder

At 74, Tan Shusen looks back on the mission he had undertaken more than two decades ago.

It was 1994 and China had made the decision to independently develop the navigation satellite system. Tan left his surveying and mapping job, where he had spent 29 years, to be the deputy chief engineer at the ground system of the first-generation Beidou Navigation Satellite System (BDS). The United States had already completed its Global Positioning System with a constellation of 24 satellites covering 98 percent of Earth’s surface and Russia was constructing its own system.

One of Tan’s major contributions to the BDS is negotiating and obtaining the frequencies the system can use. Frequencies are valuable non-renewable resources for navigation satellite systems. Over the years, Tan and his team have participated in hundreds of negotiations with dozens of countries, clearing obstacles for the BDS. He has creatively proved that navigation satellites can use overlapping frequencies, which has met with international consensus.

Tan was elected to the Chinese Academy of Engineering in 2015.
Security for All
Asian countries need to strengthen cooperation on regional safety  By Bai Shi

When the fifth meeting of the ministers of foreign affairs of the Conference on Interaction and Confidence Building Measures in Asia (CICA) opened in Beijing on April 28, Chinese President Xi Jinping called for continuous efforts to build a common, comprehensive and sustainable Asian security architecture on the basis of cooperation.

In his speech at the opening ceremony, Xi said peace and stability are the common aspirations of all Asian people. While economic growth and regional integration have seen Asia’s place in the world rising, still, there are both conventional and unconventional challenges to Asia’s security. They include regional conflicts and terrorism. Against such a backdrop, Asian countries need to work side by side to strengthen regional security.

He also stated China’s stance on the Korean Peninsula nuclear issue. Reitering China’s adherence to the UN Security Council resolution, he said China was committed to the Korean Peninsula’s denuclearization. “As a close neighbor, we will never allow war or chaos on the peninsula, as this serves nobody’s interests,” Xi said. He urged all parties involved to exercise restraint, avoid provocation, and find a way back to the dialogue and negotiating table at an early date.

With regard to the tensions in the South China Sea, the president said China is dedicated to peace and stability in the region. While firmly safeguarding its sovereignty, rights and interests, China is willing to peacefully resolve the disputes through friendly consultations and dialogue with the countries directly involved.

China will work with Southeast Asian nations to make the South China Sea a region of peace, friendship and cooperation, Xi added.

What is CICA?
The CICA was established in 1992 as a forum for dialogue, consultation and promotion of confidence-building measures. It now has 26 member states, seven observer states and four observer international organizations.

At the Fourth CICA Summit in Shanghai in 2014, China assumed chairmanship of the institution for the first time. The tenure was to expire this year. At the fifth CICA foreign ministers’ meeting, member states spoke highly of China’s efforts and agreed to extend China’s chairmanship till 2018.

The fifth CICA foreign ministers’ meeting centered on promoting security through dialogue. About 40 delegations from CICA member states, observer states and international organizations attended the two-day meeting.

Currently, Asia faces many security challenges: terrorism, poverty, territorial disputes, nuclear proliferation and other unconventional threats. The CICA is a multilateral dialogue platform for all Asian countries to discuss security-related issues.

Can it serve as an intergovernmental organization to arbitrate in regional affairs? “The CICA is not a place to resolve concrete issues. It seeks to find a common understanding of security and tries to build an architecture that can be comprehended
and accepted by all countries in the region,” Gui Congyou, Director General of the Department of European-Central Asian Affairs under China’s Foreign Ministry, said ahead of the meeting.

“There are many complicated problems and deep-rooted conflicts in Asia. These issues are [all] different. How to resolve them? First, Asian countries should find a common ground,” Gui said.

The official pointed out that at the CICA Summit in Shanghai two years ago, Xi had proposed that the CICA become “a security dialogue and cooperation platform for all of Asia, from which countries can explore the possibility of creating a regional security framework.”

**China’s role**

At the Shanghai Summit, the Chinese president also said China is willing to take a leading role in exploring the creation of a “code of conduct for regional security and an Asian security partnership program.”

As the chair of the CICA, China has been coordinating with all parties to implement action plans in military, politics, economy, culture and environment areas. The CICA has been strengthened institutionally and its influence expanded.

But the work to build a common security architecture for Asia should not be limited to governments. So the first annual meeting of the CICA’s nongovernmental forum was held in Beijing in last May, when diplomats, scholars, media outlets and nongovernmental organizations took the opportunity to exchange ideas on security and development.

Security cooperation is easier said than done. China chose to start the work with cultural exchanges and economic cooperation. Last year, China hosted the first meetings of the CICA youth commission and the CICA industrialists’ commission in Beijing. The two meetings helped to narrow differences in highly sensitive security perspectives.

Asian civilizations are diverse and the development gap between Asian countries is wide. Building a common understanding of security needs dialogue among all nations concerned.
The Right Way
To Combat Terrorism

The global war on terror needs to tackle the root cause of extremism

By Yu Lintao

Since the 1990s, there has been an explosion in the number of terror attacks on civilians and civilian infrastructure. The United States’ devastation on September 11, 2001 marked a watershed moment in global history—indicating no one was safe from acts of violence and terror. The attacks served as a catalyst for the birth of a new initiative, the global war on terrorism, led by the United States and other Western powers. However, rather than ushering in peace and stability, the war on terrorism only spurred the expansion of terrorist means and forces. What are the reasons behind this outcome?

Guiding principles

Terrorists are global antagonists. Terrorist activity undermines social stability and economic security not just in one country, but also threatens peace and security on a global scale. UN conventions and resolutions define and categorize terrorist activities as criminal offenses that severely endanger social security.

As per that definition, anti-terrorism efforts should be guided by principles designed to fight against crime—but not be so exaggerated as to result in actual war. Terrorists around the world have entrenched themselves into their role as aggressors, fighting a campaign the likes of which the world has never seen. The fire of terror has been stoked rather than smothered, spreading farther than originally anticipated.

What’s more, although some Western countries claim to be the defenders of human rights, the war on terror has demonstrated that when fear is involved, ideology is often shunned in favor of realpolitik. During the war in Iraq that started in 2003, for example, the Abu Ghraib prison that was run by the United States was host to numerous cases of well-documented abuse, including torture, of prisoners.

Double standard is rife in the utilitarian actions of some Western countries. Basic human rights may be ignored in the process of enforcing national security. This was also demonstrated in the Guantanamo Bay detention camp in Cuba starting from 2002, where the United States held prisoners in violation of the Geneva Convention until the Supreme Court ordered the prison to adhere to it in 2006.

At the same time, a number of Western countries have also revealed ulterior motives by sheltering or even sponsoring terrorist activities in other sovereign states. Israel’s 1954 Lavon Affair in Egypt, for example, was allegedly a false-flag operation involving bomb attacks meant to stir violence in the region.

Such double standard has fomented further acts of violence and validated terrorists’ beliefs and actions. This has weakened the foundation of international human rights laws established after World War II and have undermined the legitimacy of the campaign against terror.

The UN human rights protection body has always maintained that no one should commit terrorism on the pretext of ethnic, racial or religious discrimination, human rights violations,
absence of the rule of law, or social and economic marginalization. Therefore, to protect the common interests of mankind, the international community must abandon double standard when combating these crimes.

A path forward
National governments should play a dominant role in fending off terrorism within their own borders. As for international anti-terrorism efforts, all nations should respect international laws and the sovereignty, independence and territorial integrity of the countries involved based on the principle of mutual respect and non-interference.

No nation can arbitrarily use force to infringe upon another country’s territory to fight terrorism without the consent of the latter. But the fact remains that in the current campaign against terror, some Western countries still trample on the sovereignty and territorial integrity of others.

Terrorist activities violate the basic values on which human society is based, including human rights, democracy and the rule of law. When there is a conflict between security and freedom in the fight against terrorism, national security takes precedence. The International Covenant on Civil and Political Rights, part of the International Bill of Human Rights, has stipulated that “in time of public emergency which threatens the life of the nation and the existence of which is officially proclaimed, the States Parties to the present Covenant may take measures derogating from their obligations under the present Covenant to the extent strictly required by the exigencies of the situation, provided that such measures are not inconsistent with their other obligations under international law and do not involve discrimination solely on the ground of race, color, sex, language, religion or social origin.”

From this perspective, effective anti-terror measures and human rights protection do not contradict each other but rather, supplement each other. Sometimes, personal freedoms can be curtailed by legal measures during the process of an anti-terror campaign in order to better safeguard social stability and economic development. Thus, the critical point is to strike a balance between anti-terror efforts and the protection of human rights so as to prevent any unnecessary infringements.

The success of a campaign against terrorism entails the eradication of the conditions fostering the spread of terrorism. The U.S.-led war on terror stresses only wipes out terrorists and extremist forces, but pays little attention to eliminating the foundation on which extremism is based. Such a war will not produce any victor.

China has also been a victim of terrorism. It has adopted different measures to root out the social causes and prevent the expansion of extremism. These actions include enhancing people’s level of education in volatile regions and improving livelihoods.

When responding to terrorism, close international coordination is needed instead of unilateralism, and comprehensive measures such as political, economic, diplomatic, military and legal means should be employed rather than relying solely on force.

All members of the international community should be committed to creating more job opportunities for citizens while narrowing the gap between their rich and poor.

Regional conflicts should be settled in a just manner while simultaneously enhancing mutual understanding and dialogue between different countries—as opposed to stimulating confrontation, and security can be achieved through collaboration, dialogue, mutual trust as well as development. ■

Copiedited by Bryan Michael Galvan
Comments to yulintao@bjreview.com
Walking a Tightrope

Will Australia’s double-dealing tactics in South China Sea work? By Bai Shi

Boosting bilateral relations is the common goal of China and Australia. The two countries have seen multiple successes in recent years, forging closer partnerships in trade, industries, science and technology, in addition to educational and personnel exchanges.

A recent achievement is the China-Australia Free Trade Agreement (FTA) that went into effect last year. Under the FTA, more than 90 percent Australian products pay no tariff when exported to China.

Australian exporters are eager to tap into the second largest economy in the world. China is the largest buyer of Australian goods, ranging from milk powder and wine to wool and iron ore. In turn, Australia has also become a preferred destination for Chinese investors. According to the Australian Bureau of Statistics, trade between the two countries reached $107.21 billion in 2015, and Australia’s trade surplus with China reached $14.74 billion.

To further economic ties, Australian Prime Minister Malcolm Turnbull—accompanied by the largest-ever trade lobby of more than 1,000 business delegates—traveled to China on a state visit in mid-April. China for its part held 150 business events in 10 cities to mark the Australia Week in China 2016. During Turnbull’s two-day stay, the two sides inked 19 business deals, and the prime minister announced new visa measures to facilitate travel for Chinese tourists and students.

But a discord over the Australian policy on the South China Sea could disrupt ties between the two countries. While both countries have worked to develop closer economic ties, they differ in their outlook on territorial disputes in the South China Sea.

Turnbull said that Australia will not take sides on the issue, which involves China and some Southeast Asian countries.

However, Australia’s defense policy suggests the opposite as it is paying close attention to the region’s developments. In its 2016 Defense White Paper released in February, Australia devoted dozens of pages to the South China Sea issue and said it is “particularly concerned” by China’s land reclamation and construction activities in spite of the fact that some other nations have engaged in such behavior long before China. While the Oceanian nation welcomed China’s economic expansion, its Defense Minister Marise Payne cautioned Beijing on China’s efforts in “seeking greater influence in the Asia-Pacific region.”

The white paper said that “the Australian Government plans to provide $29.9 billion more to Defense over the period to 2025-26 than previously planned, enabling approximately $195 billion of new investment in the defense capabilities in this period.”

Chinese foreign and defense ministries have expressed dissatisfaction over the white paper’s comments. “It is hoped that the Australian side would take a correct and positive view of China’s development and strategic intention, take concrete steps and make joint efforts with China to increase mutual trust and safeguard regional peace, stability and growth,” said Hua Chunying, the Chinese Foreign Ministry’s spokeswoman.

Australian military planes and vessels have carried out patrols near Chinese islands in the South China Sea. Geographically, those islands are around 2,000 km away from Australia with Indonesian and Malaysian islands in between. About two thirds of all Australian trade passes through the South China Sea freely. All parties involved in the disputes have agreed to try and resolve the issue through discussions rather than militarization.

While Australia has said it will remain neutral on the South China Sea, it has vocally supported its ally, the United States, in their naval exercises in the region. Since declaring a rebalancing policy toward the Asia-Pacific in 2011, the Obama administration has been enhancing its alliances with Japan and Australia to limit China’s efforts in safeguarding its territories in the South China Sea.

China previously did not have the military or naval capabilities to defend its islands and reefs in that area, which were then occupied by other countries. Today, it is seeking to strengthen protection of those islands and solve the disputes through negotiations.

The question is: Will Australia play a constructive role in the negotiations or follow the United States in its rebalancing strategy?

Historically, Australia established an alliance with the United States after Japan launched attacks on Australia during World War II. It also worked with the United States during the Cold War. The island nation has supported its ally in the majority of the latter’s military endeavors, including the Korea and Viet Nam wars.

But the world has changed since then and China and Australia face unprecedented opportunities to create a better life for their citizens by working toward common goals.
Egypt’s former Prime Minister Essam Sharaf is interviewed by reporters during his visit to Ningxia Hui Autonomous Region in April

Egypt’s former Prime Minister Essam Sharaf said that deepened exchanges between China and the Arab world will help promote the development of the Belt and Road Initiative.

Sharaf was among a delegation of politicians and scholars from 16 Arab countries. The delegation attended a dialogue session with members of the Communist Party of China (CPC) from April 21 to 24 in Yinchuan, the capital city of west China’s Ningxia Hui Autonomous Region. Ningxia has a population of about 6.6 million—more than a third of whom are Muslims.

The session discussed national governance, anti-terrorism, and environmental protection. It also pushed forward the Belt and Road Initiative, a development initiative proposed by China aiming to increase economic connectivity among countries along the land-based Silk Road Economic Belt and the 21st-Century Maritime Silk Road.

As a number of Arab countries lie along the routes, the Belt and Road Initiative, aimed at promoting regional connectivity, would help cement relationships between the nations involved in the project. Relations between China and Arab countries have gained a new momentum since January, when President Xi Jinping visited Saudi Arabia and Egypt, and China issued a white paper outlining its policies toward Arab countries.

During his trip, Xi invited 1,500 leaders from Arab League political parties to visit China. Zhang Jianwei, deputy head of the CPC International Department’s West Asian and North African affairs bureau, told Chinese media that dialogue of this kind will help enhance mutual understanding and learning between China and Arab countries.

The Arab guests also showed great interest in the Chinese Government’s migration policy designed to protect the environment and mitigate poverty. During their trip, they made field visits to migrant resettlement housing projects.

China’s rapid economic expansion in the past decades has aroused great interest from the dialogue’s participants, many of whom hope that China’s development experience can be a source of inspiration for their own countries.

Sharaf said that he appreciated the policies China has been carrying out. “I think there are three important factors in China’s policies: stability, reform and development. Stability is very important. Especially for our region, we should obtain stability, then many problems will be solved neatly.”

According to Dong Manyuan, Vice President of the China Institute of International Studies, who also participated in the dialogue, most Arab countries are facing security and development problems. In order to reinstate peace and stability in the Middle East, China is ready to assist whenever it is requested, said Dong.

Dong added that Arab countries need sincere help rather than interference, and are expecting China to set itself apart from the roles other countries have played in the Middle East.

China’s northwest provinces are well acquainted with the complex socio-economic situation in the Arab world, especially the effect terrorism has had on the safety of people and stability of the countries. This creates ample ground for both sides to collaborate on anti-terrorism.

At the opening ceremony of the dialogue, Song Tao, Director of the CPC Central Committee’s International Department, said China is willing to share its developmental experience with Arab countries, and hopes to learn in turn from Arab civilizations.

Song also called for political parties in China and Arab countries to facilitate pragmatic cooperation through the Belt and Road Initiative and to respect each Arab country’s efforts to diversify its economy.

Abdul Wahab, a member of Algeria’s National Liberation Front Central Committee, said that the Chinese initiative, if put into practice, could benefit Arab countries. “It will not only be conducive to expanding trade but also bring the Arab world more investment and technological opportunities,” he said.

According to Sharaf, there is great room for China-Arab cooperation to grow, and the Belt and Road Initiative is one of the best ways to enhance this.
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The “Chinese Classics” series published by Foreign Languages Press is a collection of ancient Chinese classics and great works of modern Chinese authors. The first set comprises nine ancient classic works including Selected Elegies of the State of Chu, Selections from Records of the Historian, Tao Yuanming Selected Poems, Du Fu Selected Poems, and Selected Tang Dynasty Stories, and five works by Lu Xun (1881-1936), a leading figure of modern Chinese literature, which include Dawn Blossoms Plucked at Dusk, Wild Grass, Lu Xun Selected Poems and The True Story of Ah Q. The translators are all internationally-recognized leaders in the field, including Yang Xianyi (1915-2009), Gladys Yang (1919-1999), Rewi Alley (1897-1987), W. J. F. Jenner (1940-), and Fang Chong (1902-1991), among others.

“Chinese Classics” offers a channel for Western readers to learn about Chinese literature, and provides valuable references for translators and those studying English in China.
La Patota had been on Feng Luyao’s wish list for a long time. The Argentinian film tells the story of Paulina, a rape survivor, as she tries to put her life back together.

“This movie triggers thoughts on what is real justice,” the Beijing-based lawyer said after watching it at the Sixth Beijing International Film Festival. “Without this film festival, this movie might not have been known to many Chinese even though it was screened at the 2015 Cannes Film Festival and won international awards earlier. Such movies expand our horizon from box-office winners in China, Hollywood and European countries to movies from other countries, helping us explore their life and culture.”

Despite his busy schedule, Feng booked tickets for three movies at the festival, held from April 16 to 25.

For movie buffs like Feng, the annual film festival is a feast for the soul. “We can watch many movies that are not likely to be shown in cinemas,” Feng told Beijing Review. “That’s what a movie festival can bring you.”

This year, the films were selected from 2,329 entries from 105 countries and regions, a 53 percent rise on last year. More than 500 films, most of which had not been screened on the Chinese mainland, delighted viewers in cinemas, research institutions and college auditoriums, which were the venues of the film festival.

La Patota turned out to be the biggest winner of the festival—it won the best feature film, best screenplay and best female actor awards.

The movie market

“The Chinese film industry is so impressive,” exclaimed Hollywood star Natalie Portman at the film festival. “I think it is much bigger than the American film industry as a business. Also, there have been so many incredible artists to come out of the industry who have really influenced cinema everywhere.”

The Israeli-American actress, director and producer, who gained many Chinese fans with her Oscar-winning role in Black Swan in 2011, was among the 600 movie stars and film industry professionals invited to the festival. “Chinese films are strong and powerful. It would be wonderful to work with Chinese actors or filmmakers,” she said.

The Film Market and Trade, an industry expo that ran from April 19 to 21, attracted more than 200 studios and special effects companies from the United States, UK, France, South Korea and Australia.

A record number of contracts were signed: 65 companies inked deals involving over 16 billion yuan ($2.5 billion) for 49 projects. The projects covered a wide range, from crowdfund-
Argentinian film *La Patota* wins the best feature film award at the Sixth Beijing International Film Festival on April 23.

Young and various

"New ideas, new technologies, new methods" was the subject of discussions at this year’s festival. Innovation and new trends were also stressed.

The film festival has strengthened its role as an incubator for young talents in the film industry. This year, it received 674 venture capital project applications, a 48 percent increase over last year.

Han Yu, Deputy Director of Beijing Municipal Bureau of Press, Publication, Radio, Film and Television, said there was stronger support for investment projects this year. “The industry discussions and events this year covered more diverse subjects, including new technologies such as virtual reality,” Han said.

Swiss documentary maker Jurg Neuenschwander said he had seen the same thing in the past as well.

Neuenschwander’s documentary *The Chinese Recipe: Bold and Smart* is about three success stories and current endeavors. “When I came to China in 2008, it was trying to do new things, to develop things, to try to do new things, to develop things, to build up startup companies,” Neuenschwander told Xinhua News Agency. “The environment in which innovation and development was taking place in China was creating products which were starting to compete in qualitative terms on the global market.”

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Argentinian film *La Patota* wins the best feature film award at the Sixth Beijing International Film Festival on April 23.

Hollywood director and actress Natalie Portman, Italian director Giuseppe Tornatore (second right) and Hollywood animator Raman Hui (right) attend a panel discussion at the Sino-Foreign Film Co-Production Forum in Beijing in April.

Young and various

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Han Yu, Deputy Director of Beijing Municipal Bureau of Press, Publication, Radio, Film and Television, said there was stronger support for investment projects this year. “The industry discussions and events this year covered more diverse subjects, including new technologies such as virtual reality,” Han said.

Swiss documentary maker Jurg Neuenschwander said he had seen the same thing in the past as well.

Neuenschwander’s documentary *The Chinese Recipe: Bold and Smart* is about three generations of Chinese entrepreneurs, their success stories and current endeavors.
The Age of The Super Nanny

China’s baby boom fuels demand for a new class of mother and childcare workers By Xia Yuanyuan

Ma Wenxia has many roles: babysitter, maternal nurse, dietitian and even yoga instructor. But she prefers to be called a yuesao—literally meaning “maternity matron” in Chinese. A typically Chinese tradition, a yuesao is a childcare expert who looks after newborn babies, living with the family usually for a month after the delivery so that the new parents can take better care of their babies.

Unlike the regular nanny, a yuesao provides postnatal care to new moms as well and also teaches parents the right way to feed a baby and set up the nursery. Most importantly, the presence of a yuesao means the mother can get her quota of sleep. A yuesao works between eight to nine hours during daytime and if need be, can be on duty 24/7.

When Ma, now 50, came to Beijing from her hometown in northwest China’s Shaanxi Province in 2002, she was in heavy debt. But after 14 years of working, she has not only paid off all the debt, but also become well-known, highly paid and much sought-after by new moms. “This profession has changed my life, I am grateful to it,” she said.

Working as a yuesao has become a thriving and highly lucrative profession, especially in big cities such as Beijing, Shanghai and Shenzhen.

Hot property
The demand for yuesaos had been growing steadily in the past but this year it’s simply unprecedented. The ballooning rise may be attributed mainly to two factors. The Chinese Government changed its family planning policy last year, and any couple can have a second child. Besides, 2016 is the Year of the Monkey in the Chinese calendar and couples are eager to have “monkey” babies, who are thought to be blessed with intelligence. The two reasons have led to a baby boom and hence, a soaring demand for yuesaos.

In Beijing alone, at least 300,000 newborns are expected this year, compared to an average of 250,000 during the past three years. “According to our survey, 23 percent of the families with newborns need yuesaos,” said Xue Haichun, Secretary General of the Beijing Maternal and Child Service Association. “Now, the demand for yuesaos simply exceeds the supply.”

The monthly pay for these mother and childcare experts stood at 10,000 yuan ($1,500) on average in Beijing last year, higher than a white-collar worker’s salary. It is predicted to jump to 16,800 yuan ($2,520) this year with 3 million new babies expected nationwide.

The trend is seeing an increasing number of women, who were employed in lower-tier cities, traveling to large cities in the hope of striking gold there.

“The number of people who have signed up for yuesao training courses this year is 10 times more than last year,” said Wei Yiqing, General Manager of Beijing Minmerry Homemaking, an enterprise providing yuesao training as well as maternal and childcare services.

New blood welcome
“In the past, laid-off middle-aged workers constituted the main yuesao labor force,” Wei told ChinAfrica, a monthly magazine published by Beijing Review in English and French. “However, with the popularity of this job, more young women are joining in. The youngest trainee we have is 29.”

He Xueji, 32, has just finished training at Beijing Minmerry Homemaking. Though she received a certificate, she is still apprehensive. “I feel they [families] may not hire me because I am young and have little experience,” she said.

But Xue is optimistic. “Some families worry that young yuesaos have little experience and cannot work hard enough. However, as science and technology develops, it will be a profession in which experience and hands-on skills will not be enough. Young people could communicate better with young mothers of the post-80s and 90s generations.”

More than a nanny
Ma had no professional training when she took care of her first baby in Beijing in 2002. All her
skills came from her personal experience as a mother. But now, she has more than 10 certificates from different yuesao training centers, testifying to her various skills to take care of young mothers and their infants.

"With families’ living standards continuously rising, the requirement today is for more than a nanny," said Xue.

The courses the yuesao training centers offer include feeding babies, bathing them and giving them massages, tending new mothers, assisting them to regain their figures, and even preparing nutritious home-cooked food for them. A good yuesao must be extremely patient and multi-skilled, according to Xue.

**Regulations needed**

"With the industry developing rapidly, it needs better supervision and many issues require government regulations," Xue said.

Though the required qualifications today are higher in order to provide quality service and yuesaos have been trained, a survey led by Fang Xiaxin, a professor at the Binzhou Medical University in east China’s Shandong Province, reported that of the 279 yuesaos surveyed, 76.7 percent had received training for less than two weeks, which, according to Fang, is definitely not enough.

To regulate the market, the government issued a national new standard on February 1. The Housekeeping Service Specification for Mother and Childcare Service says yuesaos should be in the age group of 18 to 55. They must have an education background of at least junior high school and related professional maternal care skills. It also says working yuesaos should undergo regular training to upgrade their skills.

"The new guideline could regulate the market and put an end to situations like some yuesaos being trained for only a couple of weeks and never undergoing follow-up training," Wei said. "It could also regulate the mushrooming training centers. That is only fair to formal training centers like us. Only the fittest should survive."

However, there is still a gap in how to assess a yuesao’s services. Though the guidelines require yuesaos to have related professional skills, currently, the training is conducted mostly by non-governmental training centers. As a result, different kinds of certificates have flooded the market. The certification authorities are also multifarious, making it difficult for hirers to assess their service quality or even identify them.

"The new round of baby boom is providing unprecedented development opportunities for the mother and childcare industry. So we expect stricter regulations to guide the healthy development of this market," Xue said. ■

Copyedited by Sudeshna Sarkar
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Women are taught to give babies massages and cook in a training center in Zhengzhou, Henan Province, on March 2

http://www.bjreview.com
Held under the banner of the Forum on China-Africa Cooperation, the China Africa Industrial Forum (CAIF) is committed to promoting development and cooperation between China and African countries. It aims to encourage rapid and sound economic development in China as well as African countries and boost exchanges and cooperation in politics, the economy, culture, science and technology, and tourism.

Launched in 2009, the biennial forum has been held four times, witnessing the signing of agreements on more than 300 investment and procurement projects. It has helped a large number of Chinese enterprises start business in Africa and African countries learn more about China.

Brand South Africa is the custodian of South Africa’s nation brand, tasked with the primary objective to develop and implement a pro-active marketing and communication strategy for South Africa. A positive nation brand image is a key ingredient in promoting and differentiating South Africa and enhancing its competitiveness to attract foreign direct investment, trade as well as tourists from international fronts. Domestically, it assists in building pride and patriotism amongst South Africans.

That being the case, it is essential for Brand South Africa to manage the brand in a manner that it can be optimally positioned to achieve the developmental goals and the aspirations of South Africa as a nation.

Brand South Africa’s goal is to be acknowledged as a Top 20 Nation Brand, and make South Africa a Top 30 Nation in the World Economic Forum’s Global Competitive Index by 2020.

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Jack Ma’s e-commerce giant Alibaba Group recently announced that it had overtaken Walmart to become the world’s largest retail platform by the end of the 2015 fiscal year. This achievement not only displays the strength of China’s consumer market, but also marks the moment when the largest retail marketplace moved to the online world.

To put things into perspective, if Alibaba’s online platforms were a province it would be the sixth largest provincial economy in China, said Alibaba Executive Vice Chairman Joe Tsai in a blog post. Annual revenues surpassed 3 trillion yuan ($476 billion) and the company’s online trading volume accounted for approximately 10 percent of China’s total retail sales. In just 13 years, Alibaba has changed everything—creating 15 million jobs and generating billions of dollars without a single brick-and-mortar store.

Alipay, the company’s e-payment tool, accounts for one third of the $2.5-trillion global online payments market alone. Alibaba’s dizzying rise is a key component of China’s ascension as a global economic power.

The company is uniquely positioned to take advantage of the phenomenal surge of online retail in China. Though less than half of China’s 1.36 billion people are using the Internet, the
country is still the world’s largest e-commerce market. As of January 2016, the number of mobile Internet users totaled 980 million, according to China’s Ministry of Industry and Information Technology.

The gargantuan demand from Chinese shoppers has attracted the world’s largest retailers. Notably, British luxury supermarket chain Waitrose announced it would begin selling its signature Duchy Organic Shortbread and Earl Grey Tea via Alibaba’s Tmall Global.

“The potential for Waitrose in China is huge and although it’s a relatively modest start, it’s our ambition to see it become our biggest international business in the next three to five years,” said Waitrose Commercial Director Mark Williamson in a press release.

The house that Jack built

When Alibaba debuted on the New York Stock Exchange in 2014, founder Jack Ma was invited to ring the market opening bell and spoke of his “dream” for the company he began in a tiny Hangzhou apartment.

“We hope in the next 15 years the world changes because of us. We hope in 15 years people say this is a company like Microsoft, IBM and Walmart. They changed and shaped the world. We want to be bigger than Walmart,” Ma said. He has completed the deed in just two years.

The company’s initial valuation was $231 billion—bigger than Facebook, Amazon and eBay combined. Alibaba raised $21.8 billion through its U.S. initial public offering, the largest listing in U.S. history.

Amazon sells to consumers, eBay links buyers and sellers, and Paypal orchestrates online payments, but Alibaba does all three.

“People keep on asking me what the difference between Amazon, eBay and Alibaba is. I would say Amazon and eBay are e-commerce companies and Alibaba is not,” Ma said during a global roadshow to raise capital ahead of the company’s debut. “Alibaba helps others to do e-commerce. We do not sell things. We call ourselves a company designing a platform, a company that is running an ecosystem.”

Much of its success can be attributed to the vision and efforts of its founder. Ma is routinely compared to industrial titans like John D. Rockefeller, Martin Sorrell, CEO of Wire and Plastic Products, said Ma is “part Bill Gates, part Steve Jobs, part Larry Page, part Sergey Brin and part Mark Zuckerberg, all rolled into one.”

In a new biography Alibaba: The House That Jack Ma Built, author Duncan Clark describes the CEO as a mediocre student, only notable for his talent in learning English, which he would practice by speaking to tourists. During his first visit to the United States in the mid-1990s, a friend in Seattle logged Ma onto the Internet, and it occurred to him that listing Chinese companies online might be a good idea.

Launching an online retailer at a time when most of China had no Internet service seemed like a crazy plan. Ma said he was “treated like a con man for three years,” recalling the early days of searching for investors to cover startup costs.

His larger-than-life personality has come to represent the new market-driven economy and rising middle class of China, Clark told The New York Times.

“If anything, [Ma] has positioned Alibaba as a useful ally as the government attempts to put Chinese consumers in the driving seat,” Clark said. “Spend more, save less is the new mantra. This won’t happen overnight. Sheding the old with other artists. For example, a producer could sell a beat to a rapper through Planet. Instead of fighting streaming sites over fractions of a penny per song play, artists could sell directly to hundreds of thousands of fans via Planet. It would be another game changer for Alibaba.

In the healthcare industry, Alibaba Health Information Technology Ltd. and Alibaba (China) Technology Co. Ltd. have announced a joint venture focused on online health insurance operations in China. The mission is “to build an online community to connect participants in China’s healthcare market.”

Alibaba has also rocked the media world with its purchase of 113-year-old English language newspaper, South China Morning Post. While pledging the paper would retain full editorial control, Ma tore down the online paywall an unorthodox way to grow its global readership. He said he drew on his experience of running Taobao, the world’s biggest e-commerce platform.

“Many people think things on the Internet should be free, but this isn’t always a simple option,” Ma explained. “Taobao was free in the beginning, but that wasn’t how Taobao cornered the market... Our winning formula is to provide better services. Free services do not mean cheap services. Rather, offering free but quality services is the way we succeed with sustainable growth.”

After a successful Hollywood foray—investing in Tom Cruise’s blockbuster, Mission: Impossible—Rogue Nation, Ma said he wants “Alibaba to become the world’s biggest entertainment company.” The Chinese film market is set to surpass the North American box office next year, and self-described “film buff” Ma is aiming for a piece of the pie. Unlike other tech CEOs, Ma has created his own movie production arm. Alibaba Pictures recently set up a 22,000-square-foot office in an art-deco style building in Pasadena, California; he installed Harvard graduate and former talk show host Zhang Wei as his Hollywood liaison and president.

“People want muscle in China.” said Schuyler Moore, a partner at Stroock & Lavan, who worked on a $500-million deal between China’s Perfect World Pictures and Universal to fund a slate of films at Fast Company. “Alibaba certainly provides it.”

The New York City-based author is a contributing writer to Beijing Review.

Copiedited by Dominic James Madar

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MAY 5, 2016 BEIJING REVIEW 33
High-speed train maker CRRC Corp. Ltd. is building a stronghold in the U.S. market and is looking forward to more orders from local operators.

On April 15, CRRC signed a contract supplying the Chicago Transit Authority (CTA) with 846 new railcars. The order, worth $1.31 billion, is the largest subway car order in the CTA’s history.

The CTA is purchasing a base order of 400 subway cars with the option of purchasing the remainder of the cars in the coming years. Prototypes of the car models are expected to be completed in 2019, and the cars will be put into service in 2020 after testing.

In a statement on March 11 when CRRC clinched the deal, the Chinese train maker said that the order represents its second major breakthrough in the North American market. It is also China’s largest ever export order of subway trains from a developed country.

CSR Sifang America, a CRRC subsidiary, will build the 846 railcars for CTA. As part of its winning bid, CRRC plans to build its second subway car assembly facility in the United States in Chicago, following the first manufacturing base in Massachusetts that began construction in September 2015 for the Boston project.

In 2014, the Massachusetts Bay Transportation Authority awarded CNR Changchun, which is now part of CRRC, a $656-million contract to supply 284 subway cars to Boston.

“The two facilities in Massachusetts and Chicago will provide about 300 direct jobs and more indirect ones throughout the supply chain,” Vice President Yu Weiping told Bloomberg in an interview on April 11.

Headquartered in Beijing, the CRRC has 46 wholly owned and majority-owned subsidiaries and more than 170,000 employees.

CRRC now ranks first in the world in terms of railway equipment manufacturing and rail transport equipment manufacturing, holding 30 percent of the global market share.

(Compiled by Beijing Review)

U.S. market expansion

CRRC is bidding for a subway project in Los Angeles and a double-deck train contract in Philadelphia, Yu told Bloomberg. The company is also very likely to obtain contracts in New York City, he said.

New York City is the most coveted market for CRRC in the United States as it has the country’s largest subway system, with many railcars and equipment in need of being replaced.

“New York City is a promising market for us in terms of rail transport and equipment,” Yu said, adding that he has visited the city six times over the past year for talks with concerned parties.

CRRC is also working toward winning high-speed railway projects in the United States. Last September, a group of Chinese firms and their U.S. partner XpressWest agreed on a deal to build a high-speed railway linking Los Angeles and Las Vegas. About $10 billion is needed to build the railway. China Railway Corp., China Railway Group Ltd. and CRRC have set up a joint venture for the project.

Additional high-speed rails are expected to be built in the United States. A high-speed rail linking Boston and Washington, D.C. via
New York City would be profitable, Yu told Bloomberg.

**International sales**

CRRC has been eyeing overseas markets as its domestic sales growth moderates. The company’s investments abroad have grown in recent years and it hopes to continue that expansion.

CRRC posted 237.7 billion yuan ($36.63 billion) in revenue in the 2015 fiscal year, with 89 percent of it coming from the domestic market, a year-on-year increase of 4.51 percent, according to the company’s annual financial report.

As China’s economic growth slows, demand for freight trains, locomotives and passenger trains is declining, the report said. It also stated that excessive freight train production capacity has become more prominent and CRRC is likely to make structural adjustments.

In contrast, CRRC earned 26.57 billion yuan ($4.09 billion) in overseas markets in 2015, a year-on-year increase of 66.9 percent. Although international sales currently account for just 11 percent of the company’s total revenue, Yu said that his company expects to increase the figure to $15 billion by 2020.

“CRRC now has a presence in 101 countries and regions,” he said.

CRRC has also secured several large contracts outside the United States. In March 2015, one of its subsidiaries won a bid to supply 85 light-rail vehicles to Izmir, Turkey. Last July, three CRRC-manufactured diesel multiple units were exported to Argentina and the company’s first overseas railway equipment base was put into production in Malaysia.

The company has succeeded over its competitors in part because of its competitive prices. Its $1.31-billion bid for the Chicago project was the lowest and was $226 million lower than Canadian Bombardier’s, according to a CRRC press release. As for the Boston project, CRRC’s bid was roughly half of those from Bombardier, Japan’s Kawasaki Heavy Industries Ltd. and other bidders.

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Copiedited by Jordyn Dahl
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Visitors at the CRRC booth in the Metro China 2015 exhibition in Beijing in November 2015
Northern China’s Hebei Province is notorious for its bad air quality. Seven cities in the province were among the 10 cities with the worst air quality in a list of 74 metros in China published by the Ministry of Environmental Protection in 2015. Therefore, the task of curbing smog in Hebei is a daunting one.

The province has set a goal to improve its air quality significantly during the 13th Five-Year Plan (2016-20) period. The provincial government has occupied itself with finding a way to strike a balance between economic growth and environmental protection and promoting green and environmentally friendly development.

It has also set out to realize energy conservation and emission reduction goals and is seeking to reduce pollution as it undergoes economic development.

Handan’s transformation
Handan used to be dubbed the most polluted city in Hebei due to the fact that it is host to a large number of heavy industrial enterprises producing steel, coal and construction materials. The city ranked worst in reports of the most polluted cities in China from 2013 to 2015.

A primary source of pollution in Handan is the sulfur dioxide, smoke and dust emitted by the steel, coking, cement, electricity and construction material industries. These industries also represent the most important areas the city is focusing on in order to adjust and transform its conventional growth models.

Hansteel, a subsidiary of the Hesteel Group, has a history spanning over 50 years. It was a leading steel maker domestically back in the 1990s and was upheld as a national role model at the time. In recent years, the company has increased efforts to manufacturing processed products.

Li Yaqiang, head of Hansteel’s cold rolling factory, told Beijing Review that his factory’s products are used in cars, home appliances, buildings, ships, spacecraft, machinery and the petrochemical industry. At present, 6 million tons of Hansteel’s products have undergone industrial processing, accounting for half of the company’s total output.

Cao Ziyu, Vice Mayor of Handan, said that Handan has prioritized cutting overcapacity in the process of transforming growth models and restructuring its economy. The city will cut iron capacity by 16.12 million tons and steel production capacity by 12.04 million tons by 2017. The number of steel companies in the city has been reduced from 35 in 2012 to 22.

In addition, 19 blast furnaces have been removed or shut down and iron capacity has been cut by 7.95 million tons. The city’s steel production capacity has been reduced by 5.42 million tons. The number of cement companies has also dropped from 71 to 28.

Handan Shexian Jinyu Cement Co. Ltd. has also blazed new trails in energy conservation and emission reduction. According to Zhang Zhanmin, General Manager of the company, it has invested over 10 million yuan ($1.5 million) to upgrade its exhaust fans, saving 6.67 million kilowatt-hours of electricity every year. The company has revamped its kilns to reuse waste heat, saving nearly 2,000 tons of standard coal every year.

Zhang Jianwei, chief engineer of the company, told Beijing Review that after transforming the equipment, the amount of nitric oxide emitted has been reduced by 1,000 tons, and dust has been cut by 160 tons. A project which uses waste heat to generate electricity has effectively reduced emissions and can generate 6 million kilowatt-hours of electricity every year, saving the company over 10 million yuan ($1.5 million). Meanwhile, it has treated its waste water and uses it to water the plants in the factory yard, saving nearly 100,000 tons of water every year.

In order to realize economic restructuring and transformation, Handan has also been investing in the electric vehicle industry.

Vice Mayor Cao said that the Yinlong new-energy vehicle project has received an investment of 2.2 billion yuan ($339 million) and has a production capacity of 33,000 electric buses and sports utility vehicles per year. The city has already bought 200 electric buses and built multiple charging posts since last May. In the meantime, contracts for 11,000 of these new-energy buses, worth over 20 billion yuan ($3 billion), have been signed.

The city’s authorities believe that the production of these buses is likely to promote the development of relevant industries. “We will put emphasis on developing batteries and components for new-energy vehicles to enable these industries to become dominant ones in our city,” said Cao.

Province-wide efforts
The iron, steel and cement industries have long occupied a large proportion of the industrial structure of Hebei, resulting in overcapacity and heavy pollution.

During the 12th Five-Year Plan (2011-15) period, Hebei reduced iron capacity by 33.91 million tons, steel capacity by 41.06 million tons, cement capacity by 138.34 million tons, plate glass capacity by 72.025 million weight cases and coal consumption by 27 million tons, according to Song Limin, Deputy Director of the Hebei Provincial Development and Reform Commission.

In order to cut overcapacity further, Hebei has set goals to reduce iron and steel output by 60 million tons, cement output by 60 million tons, coal production by 40 million tons and plate glass by 30 million weight cases by 2017.

Hebei has seen a shift in its key industries. According to Song, in 2015, the value-added output of equipment manufacturing surpassed the steel industry for the first time, becoming the largest industry in the province. It is also trying to develop low-consumption and low-emission emerging industries as well as the service industry. Last year, the value-added output of its high-tech industry improved by 13.2 percent on year, accounting for 13.1 percent of the province’s total. Also, the service industry’s contribution to the local economy exceeded 50 percent for the first time.

Furthermore, the province has set out to build a low-carbon industrial structure in order to reduce greenhouse gas emissions.

“We advocate a low-carbon lifestyle and have worked to reduce energy consumption in production,” said Song. During 2011-14, the amount of energy consumption per unit of GDP was reduced by 20.34 percent, saving...
84 million tons of standard coal and reducing carbon dioxide emissions by 210 million tons.

Hebei has also developed its renewable energy industry. The province’s installed capacity for wind power ranks third in China, and it ranks seventh in terms of solar power capacity. The first comprehensive renewable energy demonstration zone has been established in the city of Zhangjiakou.

Last year, Hebei’s coal consumption was reduced by 21.97 million tons and carbon dioxide emissions dropped by 57 million tons against 2012, realizing a contraction in coal consumption for the first time.

Additionally, the province has carried out afforestation programs, having absorbed 73 million tons of carbon dioxide emissions by the end of 2015. From 2011 to 2014, the amount of carbon dioxide emissions per unit of GDP declined by 21 percent.
A Golden Strategy to Gain Gold-Pricing Power

On April 19, a yuan-denominated gold benchmark price trading began operations in the Shanghai Gold Exchange, with the price set twice a day. The launch of the benchmark price, dubbed Shanghai Gold, will drive the development of gold derivatives and China’s pricing power in the international gold market.

Gold is an important component of global finance. Therefore, many countries desire the power to set prices, or at least have some influence in the process. Currently, over 80 percent of gold-pricing power is contained within London and New York, which hold the aces in setting rules and transaction practices.

London Gold, for example, was set up in 1919 and has remained the pricing center for global spot trading. The London Gold Fixing is not only used extensively for settling transactions between producers, consumers and financial institutions, but also as the pricing benchmark for many gold derivative transactions and for gold bar trading among miners, central banks, jewelers and financial institutions. This mechanism has been dominated by European and U.S. banks.

Despite being the world’s largest gold producer and consumer, China has barely played a role in global gold pricing. Its market is in the shadows of London and New York. Though it contributes over 50 percent of the world’s bullion market, it has little influence in the pricing mechanism. The unveiling of Shanghai Gold will give Chinese banks a foothold in pricing. This should also strengthen the link between domestic and foreign markets, encouraging the global market to more accurately reflect China’s supply and demand, facilitate the internationalization of its gold market and endow it with a louder voice in pricing. Eighteen banks participate in Shanghai Gold pricing, including the five major state-owned commercial banks and multinational banking groups such as Standard Chartered.

The Shanghai gold benchmark price is quoted as the price for trading of 1 kg of 99.99-percent purity bullion and derived from multiple rounds of trading. Pan Gongsheng, Vice Governor of the People’s Bank of China, noted that it’s not only an important attempt to further liberalize China’s financial factor market and embrace global integration, but also a response to the profound reshuffling of the global gold market, shifting pricing power from the West to the East. This benchmark price would serve as a tradable, fair and equitable tool for global players to manage risks and conduct innovation, improving the yuan-denominated pricing mechanism and speeding up the internationalization of China’s gold market.

The Shanghai Gold Exchange launched its international board as early as September 2014, in a move touted as a bid to muscle in on gold-pricing power. This isn’t necessarily the case, since transaction behavior, demand and pricing power can be independent entities in contemporary markets. China is the largest consumer globally for many bulk commodities and is attempting to establish its own trading market. However, it’s still far from achieving real pricing power.

Objectively speaking, the creation of the international board was originally meant as a means to obtain gold-pricing power, paving the way for the launch of the Shanghai-Hong Kong Gold Connect. The Chinese mainland’s gold imports from Hong Kong account for one third of global consumption. This connect should further diversify the mix of Shanghai Gold investors and attract both onshore and offshore capital, undoubtedly enhancing the price discovery capabilities of the Chinese gold market.

Shanghai Gold will not only grant greater weight to China’s gold-pricing ability, but also help mold the yuan into a global currency. China is making efforts to push the yuan’s internationalization in order to become more influential in the new global financial order. Since the reforms of the yuan exchange rate mechanism in 2005, the currency has expanded globally, with more countries accepting and using it. Its inclusion in the Special Drawing Rights basket by the International Monetary Fund is a significant moment in this journey. If it comes to fruition, China’s influence in the global financial system will expand remarkably.

However, as the yuan has not yet realized full convertibility, the Shanghai Gold and London Gold benchmarks will coexist. Although Shanghai should gradually shake off restrictions from London, it remains an uphill struggle to influence the global pricing system. To this end, Shanghai Gold should attract the largest global market players to participate in its trading and spread its pricing influence into gold industrial chains, such as gold derivatives and transactions of spot gold. From this perspective, it’s vital for China to speed up full convertibility of the yuan and liberalize the free entry and exit of capital.

This is an edited excerpt of an article by Zhou Zuxun, a financial commentator, published in the Securities Times. Copiededited by Dominic James Madar. Comments to yushujun@bjreview.com

Pan Gongsheng (center), Vice Governor of the People’s Bank of China, Zhao Wen (second right), Vice Mayor of Shanghai, Aram Shishmanian (right), CEO of the World Gold Council, and others attend the Shanghai Gold benchmark price launch ceremony on April 19,
### NUMBERS

#### Industrial Enterprises’ Profit and Growth By Business Type

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<th>Business Type</th>
<th>Profit (bln yuan)</th>
<th>Growth (y.o.y.)</th>
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<tr>
<td>A</td>
<td>235.81</td>
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<tr>
<td>B</td>
<td>9.94</td>
<td>-1.4%</td>
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<td>C</td>
<td>344.20</td>
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<td>D</td>
<td>896.56</td>
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<td>E</td>
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#### Industrial Enterprises’ Profit by Sector

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<td>Mining</td>
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<tr>
<td>Manufacturing</td>
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<tr>
<td>Electricity, thermal, fuel gas and water production and supply</td>
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#### Profit Changes for Major Industrial Sectors

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<td>Computers, telecom and other electronic equipment</td>
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<td>Chemical raw material and product manufacturing</td>
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<td>Electric machinery and equipment manufacturing</td>
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<td>Automobile</td>
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<td>Textile</td>
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<td>Smelting and pressing of ferrous metals</td>
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<tr>
<td>Coal mining and washing</td>
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</tr>
<tr>
<td>Petroleum and natural gas exploitation</td>
<td>-202%</td>
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</tbody>
</table>

(Source: National Bureau of Statistics)

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**7.4%**
Year-on-year growth in industrial profits in the first quarter of this year, with the growth in March alone reaching 11.1 percent

**10.71 tln yuan**
Turnover of China’s foreign exchange market in March, up from 6.55 trillion yuan in February

**132.32%**
2015 profit rise of Guotai Junan Securities, one of China’s leading brokerages, over the same period last year, due to booming investment banking and wealth management businesses

**145%**
Year-on-year increase in net profits of Dongfeng Automobile Co. Ltd. in 2015 despite a sales decline, thanks to cost reductions, improved sales mix and enhanced efficiency

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**3.7%**
Decrease in China’s coal consumption in the first quarter over the same period a year ago

**6,806**
The number of companies listed on the National Equities Exchange and Quotations, an over-the-counter market for micro, small and medium-sized companies, as of April 22, with its total market capitalization nearing 3 trillion yuan

**4.6 bln yuan**
Planned proceeds from the initial public offerings of seven companies whose applications were approved by China’s securities regulator on April 22

**7.86%**
Year-on-year increase in profits of China International Travel Service Ltd., the country’s largest travel agency, from January through March
China Academy of Space Technology (CAST) is one of the world-class spacecraft manufacturers, providing full range of space-ground system solutions for world-wide customers. CAST's activities include all space and ground segments covering the field of telecommunications, earth observation, human spaceflight, space science and deep space exploration, as well as all spacecraft equipment, subsystems, ground application system and space industry infrastructure. CAST has successfully designed, manufactured and launched 173 satellites with good operation status in orbit.

CAST has signed international contracts for 11 telecommunication satellites, 3 remote sensing satellites, 3 ground space industry facilities, several ground application systems and training programs, including Belarusian telecommunication satellite, Venezuelan telecommunication satellite and remote sensing satellite, Pakistani telecommunication satellite, Nigerian telecommunication satellite, Egyptian AIT facility, South African ground station, Botswana space training and etc.

CAST has always been open-minded in the promotion of international space cooperation. Sincerely, CAST wishes the peaceful utilization of space technology could boost the development of African countries in telecommunications, earth observation, equipment manufacturing, and space science research and therefore contribute to the civilian & security services in Africa.
Sealed in Blood
Sino-American film on Chinese civilians saving U.S. pilots will resurrect heroic World War II saga By Shi Bosen

Few people may remember the Doolittle Raid today, an operation that was part of the World War II saga. It saw ordinary Chinese in towns and villages across Zhejiang and Jiangxi, two provinces in east China, risk their lives to save American pilots from falling into the hands of Japanese occupiers.

But now the story of the air raids by American pilots and the solidarity shown to them by the Chinese will get a fresh lease of life, thanks to a film project. The film, The Doolittle Raid, is based on the extraordinary event and its heroic aftermath, symbolizing the Sino-U.S. friendship that sprang up during that period.

The movie project was announced at the recently concluded Sixth Beijing International Film Festival. A Sino-U.S. co-production, it will hit screens around the world next year to coincide with the 72nd anniversary of the victory of the Chinese People’s War of Resistance Against Japanese Aggression and the end of World War II.

On April 18, 1942, U.S. forces launched raids on military targets in Japan. Sixteen bombers flew from the U.S. Navy’s aircraft carrier in the Pacific Ocean, the USS Hornet. Each bomber had a crew of five men with Lieutenant Colonel James Doolittle leading the operation. As per the plan, after the raid the fighters were to fly to China and land there but all 15 that made it crashed while the 16th ended up in the then Soviet Union.

The Japanese army in China captured eight of the pilots and launched a massive manhunt for the remaining survivors. Chinese soldiers and civilians came to the pilots’ aid. In retribution, the Japanese conducted a massacre in the two provinces, using chemical weapons. Around 250,000 civilians were killed while the villages that had hidden the pilots were brutally ransacked.

“The American pilots were doggedly pursued by Japanese soldiers after they landed in China. How did they manage to survive?” said Guo Meiqing, the Chinese producer of the upcoming film, explaining what made them choose this nearly forgotten subject. “Books and documentaries on this subject lack details, generally implying they received help from the Chinese. I think this episode in history should be remembered by peace-loving people. This is why we began this project.”

Chief producer Anthony J. Scotti agreed. “China’s contribution to fighting the Japanese has been overlooked,” Scotti added. “In The Doolittle Raid, I believe we have an opportunity to make a contribution toward changing that perception. This is a motion picture, not a documentary. But it’s true and it honors the sacrifice and the heroism of the Chinese people and courage of 80 young American airmen.”

The screenplay is by two acclaimed British screenwriters, Dick Clement and Ian La Frenais. “A good story needs a great writer,” Scotti said. “We are lucky to have two celebrated writers, who have enough awards to fill a warehouse, working with us. But most importantly, they know the Doolittle subject very, very well. They were the writers Disney hired to fix the [2001] Pearl Harbor movie which went on to earn more than $450 million.”

The Doolittle Raid is directed by Oscar-nominated Australian director Bruce Beresford, whose 1989 movie Driving Miss Daisy won the Academy Award for Best Picture. “He understands characters, he understands action and he loves China,” Scotti said.

The Chinese production team includes historians and veteran directors from the Beijing-based Central Studio of News Reels Production, a time-honored filmmaker specializing in documentaries.

Scotti said the movie not only covers the Doolittle Raid but also what happened after the American pilots landed in China, with elements of romance. He hoped the tale of young people during the war would appeal to today’s youth across the globe.

“The China-U.S. film cooperation is expected to enhance China’s ability to produce quality movies and boost mutual understanding.”

“With all the blood that was shed between Americans and Chinese, I can say the friendship between China and America has been sealed in blood,” Scotti added.
Dignity in Adversity

Mauritanian filmmaker Abderrahmane Sissako focuses on portraying the strength of Africa

By Rachel Richez

Dignity in Adversity

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By Rachel Richez

is there an audience for a Mauritanian director promoting a movie about Mali in China? It depends on the director and the film. French speakers, film students and film lovers packed the China Film Archive auditorium to watch Abderrahmane Sissako’s film *Timbuktu* with the director himself.

In 2015, *Timbuktu* was nominated for the Best Foreign Language Film at the Oscars. The same year, it won seven Césars, the French Oscars, with Sissako becoming the first African director to win the best director trophy. The movie has moved critics around the world with its sensitive depiction of the incursion of jihadists in the Malian city of Timbuktu in 2012. Its screening launched the 2016 Francophonie Festival in Beijing, followed by a discussion between Sissako and award-winning Chinese Director Yang Chao. The French film festival was held from March 11 to 29, touring 19 more cities in China.

Faced with Islamic fundamentalism, Timbuktu tried to resist. The movie tells the story of this peaceful resistance through acts of defiance. In spite of the ban on music, the character portrayed by singer Fatoumata Diawara continues to brighten the nights in the city with her incredible voice. After football is prohibited, the children continue to play with an imaginary ball, running and scoring goals with their joy undiminished. At the market, a fish seller rebels against the jihadists’ new laws forcing women to wear gloves outside their home. “Wear gloves to sell fish?” she says indignantly. “How can I water them with gloves? Our parents raised us honorably. Without gloves. Enough! You want to chop off our hands? I have two. Cut them off!”

The power of those scenes came from their closeness to reality. The director had met victims of the jihadist rule in Mali and listened to their stories, feeling their pain. “I didn’t build a backdrop, I didn’t create characters, I didn’t imagine any particular costume. I depicted Africa as it is, beautiful and strong. And those brave women too,” Sissako told ChinaAfrica, a monthly magazine published by *Beijing Review* in English and French.

The film shows the terror of violent extremism. The audience witnesses the stoning of an unmarried couple and follows the journey of a mother trying, in vain, to save her daughter from a forced marriage. They also meet the beautiful Diawara again, this time veiled and kneeling, paying the price for her passion for music as she is subjected to a whipping. But the whip does not stop her. On the contrary, she sings bravely in rhythm with the lashes that rain down on her.

In spite of the brutality of the situation, the director decided not to demonize the intruders. Showing their humanity allowed Sissako to brilliantly reveal their contradictions: they hide to smoke, talk about football and dance when alone when all three are banned in their regime. The absurdity of the situation contrasts with the violence of their actions.

The beauty of the images stops the audience from looking away. The disturbingly quiet desert accentuates the poetic atmosphere created by the director. The movie starts with the shooting of a gazelle trying to escape the jihadists’ gunfire, a symbol of freedom attacked and downed.

“It’s a good movie because it will raise awareness and explain to young Mauritanians what is jihadism,” said a member of the audience.

Even though Timbuktu was freed from the jihadists by French and Malian troops in 2013, the region continues to be under attack from various militant groups. Incidentally, the movie was shot in Mauritania, under army protection. Together with *Waiting for Happiness* (2002) and *Bamako* (2006), the filmmaker keeps on showing a strong Africa.

“Even though the difficulties, I still want to show a dignified continent standing straight,” Sissako told *ChinaAfrica*.

China-Africa relations interest Sissako, who is presently working on a movie between the two regions. A “love story,” confessed the director. “I think China brings a lot to Africa, and Africa brings a lot to China, so I have a positive view. I know there are many Chinese living in Africa and Africans are starting to live in China. These relations are not always easy but they are irreversible.”

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Booked!

An innovative cultural company is seeking to make reading free and fun

By Liu Jian

Get on the subway in China and what you see is some are dozing off and some are hunched over their cellphones.

“They can read instead of being tied to their phones,” suggested Zhang Lijuan, founder of Qingfanqie Culture Media, a cultural company promoting reading among the public. “People can borrow and return books at any coffee shop with the ‘In Library’ sign.” And it’s free.

Qingfanqie, founded in August 2010, started the In Library program almost three years later. Thanks to it, people living in Shenzhen in south China’s Guangdong Province, where the company is based, can borrow books from select coffee shops located along subway routes.

Qingfanqie has set up library corners at nearly 1,300 coffee shops and in over 30 automobile sales services shops. Corporates are welcome to get involved. Qingfanqie has worked with the fast food company KFC to build libraries of picture books for children at over 30 KFC stores in Shenzhen.

Not just Shenzhen, the operation runs in more than 60 cities across the country.

Qingfanqie is now seeking to tie up with more organizations, including banks, hotels, corporate houses and even railway stations.

“We are different from public libraries,” Zhang explained. “We want to set up more small libraries near offices and homes, making reading an integral part of people’s lives. Most importantly, we hope to make reading easy, free and great fun for the public.”

Learning the hard way

In August 2010, the company launched Qingfanqie.com, China’s first virtual library. People could register to become members, paying a deposit to borrow books. The books then were delivered to them and once read, taken back, free. The library had an online catalog of books which showed if they were available or had been borrowed, and integrated other functions such as allowing members to recommend books and post reviews.

“It was quite popular. Our membership reached 1 million last year,” Zhang said nostalgically.

But though the number of members rose, the circulation rate was sluggish and the logistics costs were high. Often, the delivery time was long and books got damaged or lost in transit. All this increased overhead costs and brought negative feedback.

“As a small startup, we could not afford setting up our own logistics system. Depending on other logistics companies meant the delivery time and quality of service could not be guaranteed,” Zhang said.

So she started to explore new possibilities, wondering if there was a new business model to make the company more sustainable.

Eventually, Qingfanqie initiated the In Library program, working with coffee shops to set up mini libraries on their premises. It provides 200 to 500 books to each shop, which pays a deposit. The books, covering a wide range of subjects—from science and health to the liberal arts, fashion, tourism and social sciences—are changed on a regular basis.

At the revamped site Qingfanqie.com, each coffee shop has its own webpage, displaying...
A Qingfanqie travel-themed library at a coffee shop

The books available. Since Qingfanqie’s mobile app was launched in October 2014, people can use it to locate the nearest place with a library. By scanning the QR code, they can borrow and return books at any member shops in the program, which makes the transaction hassle-free.

“We want to tell people there is a free library wherever they see the In Library sign. It’s just like people know there is free Internet connection wherever they see the WiFi sign,” she said. Zhang is hoping the number of libraries would reach 5,000 in the next three to four years.

It’s not easy to run a company providing free reading services. Zeng Xiaoxia, Qingfanqie’s Communications Manager, said part of the revenue comes from setting up libraries for companies. “They pay a fee as a member of our reading program, and we provide them with 200 to 1,000 books on different subjects based on their needs,” Zeng said.

The companies also have their own web-pages on Qingfanqie.com. “Over 10 companies are our clients,” she said. “As there are no earlier prototypes for us, we are exploring new ways to earn revenue.”

A complementary role
What made Zhang set up the company?
“Several years ago, I read a survey released by UNESCO which said the Chinese read only 4.4 books a year, including textbooks, a rate lower than in many countries,” she said. “There’s no shortage of books in China, but why do we read so little?” Although e-devices have made reading easier, Zhang said Chinese are still not reading enough.

According to the latest National Reading Survey by the Chinese Academy of Press and Publication, the Chinese read 4.58 printed books on an average each in 2015 and 3.26 digital ones.

By the end of 2014, there were 3,110 public libraries in China, according to a white paper on Progress in China’s Human Rights in 2014. Surveys show Chinese are either too busy to read or have difficulties in locating a public reading place as the number of bookshops is shrinking and the number of public libraries is insufficient.

“So I wanted to build a platform to cultivate people’s reading habit and encourage more people to read books,” she said. “Promoting reading is not the job of the government alone. We can play a complementary role.”

Zhang said Qingfanqie is not competing with traditional libraries and bookstores. “We all work to promote reading but each has a different focus, advantages, and different methods,” she said. “Traditional libraries are well-stocked with books on most subjects. They also have archives for people to get historical information and do research. We don’t focus on large stocks in our libraries but on reading hours and circulation of each book.”

Growing reading interests
Zhang’s company has a department which researches people’s reading interests and proposes topics for reading clubs and events. Like-minded readers gather together to talk about books and share opinions in coffee shops.

“We not only need to make reading convenient, but also to cultivate people’s reading interests,” Zhang said. “We look for creative ways to make reading great fun.”

In the summer of 2013, when the BBC Sherlock TV series craze swept China, Zhang found an opportunity. Qingfanqie set up seven Sherlock Holmes libraries in cooperation with publishing houses and detective fiction-themed cafés. Several events were hosted, such as interactive games and sleuthing competitions, attracting detective fiction fans and adding to the company’s coffers.

Qingfanqie continues to be innovative. For example, in cooperation with publishing houses and local tourist offices, it is inviting experienced travelers to share their travel stories as well as recommending books.

“Travelers will have a richer and more fruitful travel experience if they read about the history and culture of the destination ahead,” Zhang said. “That is the magic of reading.” —

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Should Expired Land Rights Be Renewed for Free?

Chinese property owners are scrambling to address the ticking time bomb that is the soon-to-expire land rights to their homes. Recently, several property deals in Wenzhou, east China’s Zhejiang Province, were thrown into disarray after the owners discovered that the local government required them to renew the rights to the land, which had expired after 20 years in March. The government, however, has yet to unveil specific policies on the renewal of the rights.

The news spread around the country and has unsettled many, especially those planning to sell or buy second-hand homes. The Chinese Government has ownership over all urban land, though in rural areas, land is owned collectively. Urban residents have ownership over the apartments they buy, but they don’t own the land under the buildings. The government leases land to developers, and leases can last from 20 to 70 years.

As these rights begin to mature, many owners across China are worrying about the possibility of having to spend a lot of money to extend them. Others believe the renewal should be free of charge, since the Property Law states that when such a lease expires, it is to be extended automatically. Even so, detailed regulations have not been released.

What exactly will happen after more leases reach their expiration dates across the country? What will Chinese people do about their homes? Should the land-use rights be renewed for free for several decades, or should a fee be paid?

A complex issue

Hong Lefeng (Beijing Times): When the government granted land-use rights in Wenzhou in the 1990s, no clear explanation was given on how to extend those rights when they ran out. The Property Law does mention that they should be renewed “automatically,” but that doesn’t mean “free of charge.”

It always seems there is a long time between now and 70 years in the future. As a result, specific measures on how to renew expired land rights are hard to come by. Apart from 20-year leases, a lot of properties are houssings for both commercial and residential purposes, whose land rights last only 40 to 50 years. If one were to purchase a second-hand apartment or house, the buyer would be purchasing a property whose land rights lifespan has already been shortened. It is therefore time for the government to produce adequate regulations for the renewal of these land rights.

Of course, this will be a complex process. The government should take into account the economic pressure on those seeking to purchase second-hand properties. As many potential buyers take out mortgages to buy these properties, the fees for extending the land rights should not be too high. A good policy on this matter should help improve people’s livelihood, while helping boost the government’s revenues.

Bi Shicheng (China Youth Daily): Actually, Wenzhou is not the first city to be perplexed by the issue of land right expiry. Many other cities are also faced with this issue, as leases in more and more cities are reaching their expiration dates. It is therefore high time for the government to come up with effective policies to address this problem in a proper way. The government is expected to give up the revenue it could get from extending land rights; otherwise public dissatisfaction might swell up.

Nowadays, local governments are widely under heavy financial pressure, and some are eager to acquire money from the extension of leases. It is therefore unrealistic to expect them to come up with a good solution.

Most families have not calculated land rights renewal fees into their budgets, but property transactions and mortgages are happening with increasing frequency. Prospective buyers or sellers must take these fees into consideration before setting out to do business.

Li Bin (Finance.cnr.cn): Given the current economic situation, the government will find it hard to decide not to collect land rights renewal fees, especially when this decision is made into a fixed policy. If no fee is collected, it means land use right is indefinite and free. To some extent, it is equal to granting de facto ownership of the land to homeowners. However, as the value of land keeping rises, fees are more and more likely to be collected. The key lies in how to do this without causing friction.

Free extension

Zhao Xiuchi (China Business Times): Homes are usually most Chinese families’ most important assets. Thus, this issue relates to the public’s immediate rights and can even affect the country’s social harmony and stability.

According to Clause 149 of the Property Law, when a residential land lease expires, it is meant to be extended “automatically.” However, no specific regulations have been outlined regarding whether or not the “automatic” extension should involve money.

What should be done when land rights expire? Here are some suggestions. First of all, 70-year land leases should be renewed freely and automatically. This way the public can fully enjoy the benefits of
the country’s rapid development in the past decades. Since the housing system was reformed in the 1990s, the state has stopped allocating apartments to urban residents. As a result, families have to spend a large proportion of their income purchasing homes. While infrastructure throughout Chinese cities has improved, housing prices have also kept rising.

Urban residents have permanent ownership of their homes, but land use rights can last 70 years at the most—a clear contradiction. Homes are on land, so from this perspective, urban residential land rights should be extended free of charge.

As for land that is leased for less than 70 years, homeowners must pay to extend their leases to the maximum period. The land policy must be fair to every buyer. If these land leases were to be renewed for free, it would be unfair to homeowners who have already paid for the full period in the first place. A standard should be set for fees to be paid based on a property’s value at the time it was sold.

Given the current absence of regulations, residents who plan to sell or buy homes have expressed concern. Potential sellers are afraid that the value of their assets will shrink, and potential buyers have become indecisive. This will affect the sound development of the property market. Thus, detailed regulations on residential land rights’ automatic renewal must be worked out as soon as possible.

Qiu Baочang (Finance.cn): In my opinion, the word “automatic” in China’s Property Law defines the unconditional extension of land rights. Is it necessary to charge fees for extensions? I think that should depend on the public. To have a place to live in is a basic necessity. The state must try to protect its people’s basic right to shelter.

I don’t think there should be any charge for the extension. Why? My reason is simple—consider the abolishment of the agriculture tax in 2006. Why was this tax canceled? That was because the economy had developed to an extent where farmers could be liberated from hard labor. If local governments can stop relying on revenue from leasing land and taxing housing property transactions, they will have demonstrated an equal level of socioeconomic progress as in 2006. The free renewal of land rights conforms to the Property Law, the public’s basic rights and also their interests.
Putting Paris Agreement Into Effect

By Lan Xinzhen

The Paris Climate Change Agreement is one step closer to being put into effect after delegates from 175 countries signed the international deal at the UN headquarters in New York City on April 22.

The landmark event is significant for the international community in three ways: First, the Paris Agreement will help push forward the implementation of the UN Framework Convention on Climate Change (UNFCCC), showing the participating countries’ commitment to addressing climate change. The treaty details a blueprint for green and low-carbon development, marking a milestone in mankind’s history of climate management. In signing the Paris Agreement, countries across the globe are showing a willingness to come together on a critical issue.

Second, the international community has agreed to the principle of “common but differentiated responsibilities.” During the negotiations for the Paris Agreement, developed and developing nations had endless disputes on who should have the most responsibilities in tackling climate change. The inclusion of “common but differentiated responsibilities” into the agreement, which was advocated by developing countries, reaffirms the principle’s status in the global fight against climate change.

Third, the international community recognizes the Paris Agreement as legally binding, which caused another round of quarrels during the negotiations. As a result, participating countries’ commitment to the responsibilities and obligations of reducing emissions and the financing arrangements will be honored and effectively supervised.

China has always been an active proponent of the Paris Agreement. In June 2015, the Chinese Government submitted its “Enhanced Actions on Climate Change: China’s Intended Nationally Determined Contributions” document to the UNFCCC Secretariat. It made the commitment of “achieving the peaking of carbon dioxide emissions around 2030 and making best efforts to peak early.” Throughout the climate change negotiation process, the Chinese delegation made concerted efforts with other parties to reach an agreement acceptable to all.

With the unsatisfactory results of the Kyoto Protocol—the previous treaty that also committed signatories to reducing greenhouse gases—countries and their citizens are looking at how the Paris Agreement will be implemented.

China has shown its strong will in this regard. Its 13th Five-Year Plan (2016-20) states that China will cut its carbon dioxide emissions by 18 percent per unit of GDP in the next five years. To achieve this target, China will restrict both energy consumption and intensity in addition to initiating pilot programs to reach zero carbon emission. It will also launch a national carbon emissions trading scheme and increase forest carbon sinks, besides establishing a complete system to promote ecological progress, carrying out a stringent accountability system and tightening monitoring efforts.

In a meeting with UN Secretary General Ban Ki-moon in New York City on April 21, Chinese Vice Premier Zhang Gaoli said that tackling climate change is not only China’s international responsibility as a large developing economy but is also a requirement for China’s sustainable development. He pledged that China will work hard to implement the vision of innovative, coordinated, green, open and shared development, pushing forward eco-friendly growth.

Fully aware of the importance of international cooperation, the Chinese Government has expressed readiness to participate in Paris Agreement follow-up negotiations and promote the implementation of the arrangements mentioned in the agreement.

Moreover, China has already launched new cooperation programs under the South-South Climate Cooperation Fund in order to help other developing nations enhance their fundraising capabilities to deal with climate change. Such efforts demonstrate China’s sense of responsibility and burden-sharing spirit as the world’s largest developing economy.

In line with a decision made at the 2015 UN Climate Change Conference in Paris, the Paris Agreement will be open for signing until April 21, 2017. For the treaty to enter into force, a minimum of 55 parties to the UNFCCC whose greenhouse gas emissions account for more than 55 percent of the global total need to submit their ratification, acceptance and approval or accession documents. The agreement will become fully effective 30 days after these procedures are complete.

China is expected to complete its related domestic legal procedures before the G20 Summit in Hangzhou in September. It has already proposed initiatives for other G20 members and pledged to work with other nations to push forward universal acceptance of the agreement so it can go into effect as soon as possible.

Climate change is an issue all of mankind face. Ensuring the Paris Agreement comes into effect before 2020, when the second commitment period of the Kyoto Protocol expires, is the kind of responsibility that all countries are expected to show in tackling the challenge.
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