

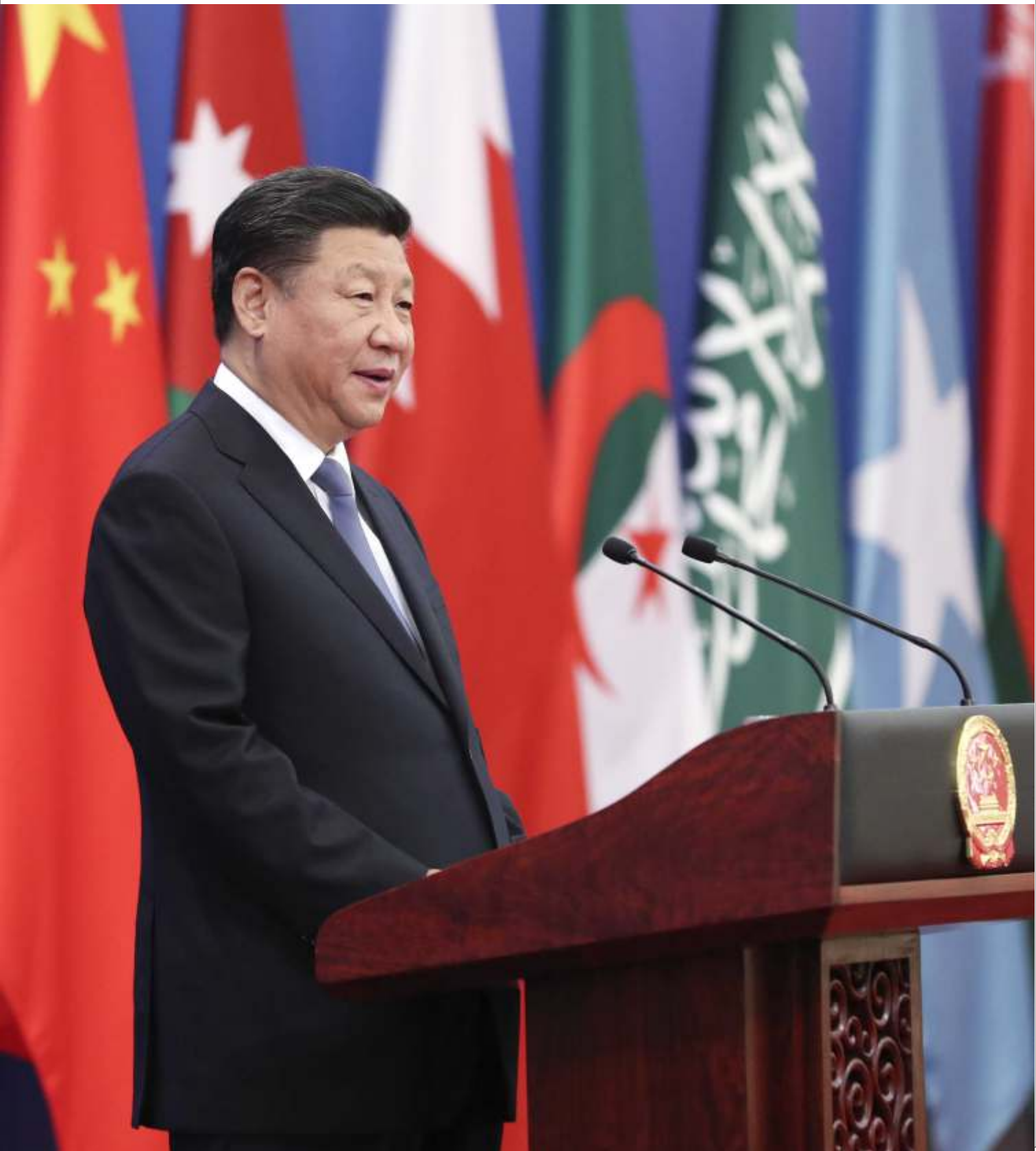
中国新闻

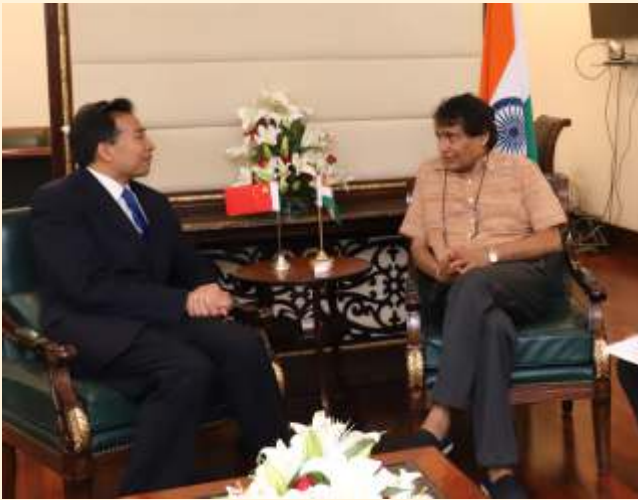
# NEWS FROM CHINA

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**Ambassador Luo Zhaohui met with the Minister of Commerce and Industry Mr. Suresh Prabhu.**



**Ambassador Luo Zhaohui met with Prof. Lokesh Chandra, Chairman of Nehru Memorial Museum & Library and former President Indian Council for Cultural Relations**



**Ambassador Luo Zhaohui gave speech at the National Defense College of India.**



**Ambassador Luo Zhaohui met with the Vice Chairman of China Council for the Promotion of International Trade Mr. Chen Zhou.**



**Ambassador Luo Zhaohui met with Venerable Hui Xian of the Fo Guang Shan Educational and Cultural Center in New Delhi.**

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China and World Trade

# CHINA AND THE WORLD TRADE ORGANIZATION

The State Council Information Office of the People's Republic of China  
June 2018



## Foreword

In 1978, China started the historic process of reform and opening-up. This is a glorious chapter in the development epic of the country and the nation composed by the Chinese people, recording the great journey of common progress of China and the rest of the world. It has not only profoundly changed the country, but also greatly influenced the whole world. Over the past 40 years, China has been adhering to the fundamental

national policy of reform and opening-up and pursuing development with its door wide open. A model of all-round, multi-level, and wide-ranging opening-up has gradually taken shape. China is closely connected with the outside world and has made a significant contribution to the noble cause of global peace and development.

In 2001, China acceded to the World Trade Organization (WTO). This was a milestone in China's

integration into economic globalization, marking a new historic stage of reform and opening-up. Since its accession to the WTO, China has been a strong advocate for free trade. China has comprehensively fulfilled its commitments to the WTO, substantially opened its market to the world, and delivered mutually beneficial and win-win outcomes on a wider scale. Through these efforts, China has lived up to its responsibility as a major country.



The multilateral trading system, with the WTO at its core, is the cornerstone of international trade and underpins the sound and orderly development of global trade. China firmly observes and upholds the WTO rules, and supports the multilateral trading system that is open, transparent, inclusive and non-discriminatory. China has participated in all aspects of WTO work, made its voice heard and contributed its own proposals on improving global economic governance. China is an active participant, strong supporter and major contributor in the multilateral trading system.

Accession to the WTO has boosted China's development and benefited the rest of the world. Propelled by a new vision of development, the Chinese economy is transitioning from rapid growth to high-quality development. China has become a major stabilizer and driving force for the world economy. China stays committed to the strategy of

opening-up for win-win results, vigorously promotes the Belt and Road Initiative, and shares opportunities and benefits with other countries and their people while developing China itself, enhancing global wellbeing and common prosperity.

At the historic starting point of a new era, China's door of opening-up will not be closed and will only open even wider. Opening-up was key to China's economic growth over the past 40 years. In the same vein, high-quality development of China's economy in the future can only be achieved with greater openness. China will continue adhering to the fundamental national policy of reform and opening-up. China will more proactively embrace economic globalization, adopt policies to promote high-standard liberalization and facilitation of trade and investment, and work together with other countries to build a community of shared future with extensive

converging interests and a high degree of interdependence.

The Chinese government is publishing this white paper to give a full account of China's fulfillment of its WTO commitments, to explain China's principles, stances, policies, and propositions regarding the multilateral trading system, and to describe China's vision and actions in advancing higher-level reform and opening-up.

### **I. China Has Faithfully Fulfilled Its WTO Accession Commitments**

Since China acceded to the World Trade Organization<sup>1</sup> in 2001, it has made continued efforts to

<sup>1</sup> China's Hong Kong Special Administrative Region, Macao Special Administrative Region, and Taiwan Province all became members of the WTO as separate customs territories at different times, the cases of which are not discussed in this white paper.

improve its socialist market economy system, further align its policies with multilateral trade rules in all areas, honor its commitments on opening trade in goods and services, and strengthen intellectual property rights (IPR) protection. Remarkable improvements have been made in enhancing the stability, transparency, and predictability of its opening-up policies. China has contributed significantly to the effective operation of the multilateral trading system.

### 1. Improving the socialist market economy and relevant legal system

**Consistently reforming to develop the socialist market economy.** China has accelerated efforts to improve the socialist market economy system and strengthen the market system. This has involved reorganizing the relationship between the government and the market, letting the market play the decisive role in resource allocation and the government play its role better. Education campaigns on WTO rules have been extensively rolled out, raising public awareness of the market, competition, rules and the concept of rule of law.

**Continuously improving the legal system of socialist market economy.** Upholding the rule of law, China has faithfully observed and implemented WTO rules, improved its laws and regulations on market economy, and built up a legal system in line with multilateral trade rules. After its accession, China launched major efforts to review and revise relevant laws and regulations, involving 2,300 laws, regulations and departmental rules at central government level, and 190,000 policies and regulations at sub-central

government levels, covering trade, investment, IPR protection, etc. In 2014, China issued an official document on furthering trade policy compliance with WTO rules, requiring government at all levels to assess proposed trade policies in accordance with WTO agreements and China's commitments. In 2016, China set up a legality review mechanism to examine normative documents, enhancing the transparency of and public participation in policy development.

### 2. Fulfilling commitments on trade in goods

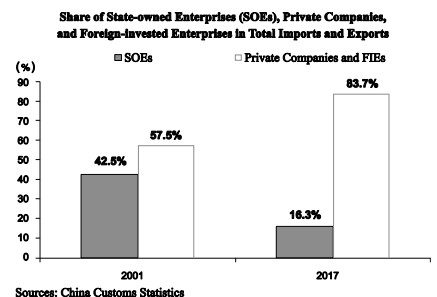
**Substantively reducing import tariffs.** By reducing import costs to boost trade, China has shared its development dividend and growing markets with the rest of the world. By 2010, China had fulfilled all of its tariff reduction commitments, reducing the average tariff level from 15.3 percent in 2001 to 9.8 percent. It lowered the average tariff rate of manufactured goods from 14.8 to 8.9 percent. It cut the average tariff rate of agricultural products from 23.2 to 15.2 percent, about one fourth of the global average and far lower than those imposed by the WTO's developing members (56 percent) and developed members (39 percent). China's maximum bound tariff rate of agricultural products is 65 percent, while the corresponding rates of the United States, the European Union and Japan are 440, 408 and 1,706 percent respectively.

**Significantly lowering non-tariff barriers.** To increase transparency and facilitate trade, China has reduced unnecessary trade restrictions. By January 2005, in accordance with its commitments, China had eliminated import quotas,

import licenses, specific import tendering requirements and other non-tariff measures with regard to 424 items such as automobiles, machinery and electronics products, and natural rubber. It introduced tariff rate quota administration for important bulk commodities, i.e. wheat, corn, rice, sugar, cotton, wool, wool top, and chemical fertilizers.

### Liberalizing the right to trade.

To diversify entities and stimulate their enthusiasm to engage in foreign trade, in July 2004 China replaced approval system with registration system for foreign trade authorization, releasing immense vigor of private businesses which has led to a surge of foreign trade in the private sector. With rapid growth and an increasing share of the market, private companies have become important actors in China's foreign trade. In 2017, foreign trade by private companies and foreign-invested enterprises (FIEs) accounted for 83.7 percent of the country's total trade volume, up from 57.5 percent in 2001. In 2017, Chinese private companies, which take the largest share of China's exports, contributed 46.6 percent of all goods and services exported.



### 3. Fulfilling commitments on trade in services

Extensively opening up the services market. China has striven to

boost the services industry and increase its share of contribution to the economy. Of the 160 services sub-sectors under the 12-sector WTO classification, China committed to opening up 100 sub-sectors under 9 sectors, a level approximate to the average 108 sub-sectors committed by the developed members of the WTO. By 2007, China had honored all of its commitments on trade in services.

Continuously reducing restrictions. China has step by step lowered the threshold for foreign investment to enter the services sectors in China, lifted geographical and quantitative restrictions on services according to schedule, and constantly broadened the business scope for foreign investment in the services sectors. China has permitted wholly foreign-owned enterprises in 54 sub-sectors such as courier, banking and property insurance services, allowed foreign majority ownership in 23 sub-sectors such as computer and environment services,

and accorded national treatment to foreign capital in 80 sub-sectors such as telecommunication, rail transport, and tourism services. In 2010, foreign direct investment (FDI) flowing into China's services industry surpassed that into manufacturing industry for the first time. In 2017, FDI in the services industry made up 73 percent of all FDI in China.

#### 4. Fulfilling commitments on IPR protection

Strengthening IPR protection on China's own initiative. Strengthening IPR protection is the centerpiece for improving the property rights protection system, and it would provide the biggest boost to the competitiveness of the Chinese economy. It not only serves China's own development needs, but also helps cultivate a business environment that is law-based, internationalized and business-friendly. China encourages technological exchanges and

cooperation between Chinese and foreign enterprises, and protects the lawful IPR owned by foreign enterprises in China. At the same time, we hope foreign governments will also improve protection of Chinese IPR.

Building a full-fledged legal system on IPR protection. Since acceding to the WTO, China has formulated and improved its laws and regulations on IPR protection, set up IPR working mechanisms with many countries, drawn upon advanced international legislative practices, and built an IPR legal system that conforms to WTO rules and suits national conditions of China. The amended Trademark Law sets up a system of punitive damages. The amended Anti-Unfair Competition Law improves the protection of trade secrets, identifies act of confusion, introduces the concept of sign and expands the scope of protection for sign. Currently China is working on amending the Patent Law and the



Copyright Law.

Continuously strengthening law enforcement on IPR protection. China has enhanced the dominant role of the judiciary in IPR protection to significantly raise the cost for offenders and fully unlock the deterrent effect of relevant laws. The State Intellectual Property Office has been restructured to strengthen law enforcement. China has set up three IPR courts in Beijing, Shanghai and Guangzhou, and special judicial organs at 15 intermediate courts in Nanjing, Suzhou, Wuhan, Xi'an and other cities to handle cross-regional IPR cases, including those related to patents. China strengthened administrative law enforcement on intellectual property protection and launched special campaigns targeting outstanding problems, which effectively protected intellectual property rights. Such campaigns include "Convoy Campaign" for protecting patent rights, the "Sword-net Campaign" for combating online infringement and piracy, the "Sweeping Campaign" for cracking down pornography and illegal publication in the copyright field, the "Network Sword Campaign" for combating IPR infringements and counterfeits and the "Sword Actions on Quality Control" for cracking down counterfeits.

Attaining notable results in IPR protection. Since 2001, intellectual property royalties paid by China to foreign right holders has registered an annual growth of 17 percent, reaching USD28.6 billion in 2017. In 2017, China received 1.382 million invention patent applications, ranking the first in the world for the seventh consecutive year. Nearly 10 percent of the applicants were foreign entities and individuals. Invention patent applications filed by foreign entities

and individuals in China reached 136,000, growing by threefold compared with 33,000 in 2001. According to the World Intellectual Property Organization, 51,000 patent applications filed from China through the Patent Cooperation Treaty were accepted in 2017, second only to the US.

### 5. Fulfilling commitments on transparency

Providing a solid legal basis. The Legislation Law, the Regulations on Procedures for Formulation of Administrative Regulations, and the Regulations on Procedures for Formulation of Rules explicitly provide for the solicitation of public comments on draft laws, administrative regulations and rules. The legislative affairs commission of the Standing Committee of the National People's Congress regularly publishes the Laws of the People's Republic of China (English edition); the State Council's legislative affairs organ regularly publishes the Laws and Regulations of the People's Republic of China Governing Foreign-Related Matters (Chinese and

English bilingual edition); and the Ministry of Commerce regularly publishes trade policies in China Foreign Trade and Economic Cooperation Gazette.

Comprehensively implementing the WTO notification obligations. China has submitted notifications to the WTO on a regular basis concerning the amendment, revision and implementation of relevant laws, regulations and measures as required by the WTO. By January 2018, China had submitted over one thousand notifications covering areas such as central and sub-central subsidy policies, agriculture, technical regulations, standards, conformity assessment procedures, state trading, trade in services, and IPR laws and regulations.

### 6. Making tremendous efforts to honor its commitments

China made extensive and profound commitments on opening up when entering the WTO. Domestic companies were confronted with international competition, and most industries

#### Box 1. The Automobile Industry's Costly Adjustment

Before WTO accession, China's automobile industry lagged far behind developed members in terms of production scale, product quality, manufacturing technology, R&D capacity, costs and prices, and brand development. After accession, China faithfully fulfilled its commitments to slash customs duties on automobiles. By July 1, 2006 when the transitional period ended, China had lowered the duties on imported automobiles from 100 to 25 percent. China's auto industry was hit hard by cheaper imported cars and mounting competition. For example, China imported USD37.91 billion worth of passenger cars with engine displacement at 1.5-3L in 2017, compared to USD890 million in 2001. This represented an annual growth of 26.4 percent, with the auto trade deficit surging from USD870 million to USD34.35 billion. Facing the pressure, China's auto industry took the initiative to carry out large-scale restructuring, opened wider to foreign capital, raised its levels of technology, management and services amidst fierce competition, and steadily penetrated the global value chains.



faced great difficulties. Rising up to these challenges, Chinese companies took the initiative to promote structural readjustment, participated in the global value chains and significantly increased their international competitiveness.

## II. China Firmly Supports the Multilateral Trading System

The multilateral trading system with the WTO at its core is the cornerstone of international trade, and has been playing a pivotal role in promoting global trade and building an open world economy. Since its accession to the WTO, China has firmly supported the multilateral trading system, participated in all aspects of WTO work. It called upon the WTO to focus more on the concerns of developing members, opposed unilateralism and protectionism, upheld the authority and efficacy of the multilateral trading system, and made concerted efforts with other members in supporting the

WTO to play a greater role in economic globalization.

### 1. Liberalizing and facilitating trade and investment

Participating fully in the Doha Round negotiations. China has submitted or co-sponsored more than 100 negotiation proposals, helped secure agreement on trade facilitation and export competition in agricultural products, and promoted the continuous improvement of the multilateral trading system. In 2015, China became the 16th WTO member to ratify the Trade Facilitation Agreement (TFA). During its G20 presidency in 2016, China encouraged a number of countries to complete their domestic ratification procedures of the TFA, prompting the agreement's entry into effect at an early date.

Promoting plurilateral trade liberalization. As a developing country, China has actively

participated in plurilateral liberalization initiatives and made important contributions to relevant talks. It accepted the Information Technology Agreement (ITA) upon accession, subsequently participated in the negotiations to expand its coverage, and encouraged relevant parties to reach agreement on eliminating tariffs of 201 information technology products. As one of the initiators of the negotiations on the Environment Goods Agreement, China always participated in relevant discussions in a constructive manner, and contributed to the important consensus reached at the G20 Summit in Hangzhou. In 2007, China started the negotiation on its accession to the Agreement on Government Procurement and has been making great efforts ever since.

Mobilizing support for discussing new issues in the WTO. China has encouraged the WTO to respond to and discuss new topics of



general interest to the members such as investment facilitation, micro, small and medium-sized enterprises (MSMEs), and e-commerce. China initiated "Friends of Investment Facilitation for Development (FIFD)" and sponsored the Joint Ministerial Statement on Investment Facilitation for Development signed by over 70 members. China joined the "Friends of Micro, Small and Medium-sized Enterprises", and shared with other members its proposals that support MSMEs. As an advocate of multilateral discussions on e-commerce in the WTO, China joined "Friends of E-commerce for Development (FED)", shared its experiences and helped other developing members benefit from e-commerce.

Faithfully implementing the Trade Facilitation Agreement. As a developing member, China has actively promoted the implementation of TFA. It has set up the National Committee on Trade Facilitation to coordinate the efforts of relevant government agencies to enhance trade facilitation. By 2017, China's provinces (as well as autonomous regions and municipalities directly under the central government) had all established a joint committee mechanism for trade facilitation in their respective jurisdictions. Regarding China's TFA commitments, 94.5 percent of all commitments fall into Category A (immediately implemented upon entry into force of the TFA), and only four items belong to Category B (implemented after a transitional period following the TFA's entry into force). China will honor its promise and implement all the Category B measures following a transitional period of three years after entry into

force of the Agreement.

## 2. Safeguarding the dispute settlement mechanism

Safeguarding the effective operation of the dispute settlement mechanism. The WTO dispute settlement mechanism has played a vital role in maintaining the predictability of international trade and the stability of the multilateral trading system. China has actively participated in the negotiations on Rules and Procedures Governing the Settlement of Disputes and supports the independence and impartiality of the WTO Appellate Body. Despite the attempt of certain WTO member to obstruct the appointment of members of the Appellate Body, China joined more than 60 members in submitting a proposal on starting the selection process at the earliest possible date.

Properly handling trade disputes with other WTO members. China supports WTO members to solve their trade disputes within the WTO dispute settlement mechanism. By April 2018, China had brought 17 disputes to the WTO, of which 8 had been concluded. Meanwhile, China had been complained against in 27 disputes, of which 23 had been concluded. By lodging complaints in the WTO, China redressed other members' violation of obligations under the covered agreements, and defended its own trade interests as well as the authority of WTO rules. China also actively defended the cases against it, respected the WTO rulings, and made adjustments to its measures according to WTO rules. Up to now, none of the complainants has requested for retaliation against China.

## 3. Fully participating in trade policy review

Attaching great importance to trade policy monitoring by other WTO members. The WTO trade policy review (TPR) mechanism is effective in enhancing the transparency of the multilateral trading system. China places great emphasis on the TPR process. Having undergone six TPRs on itself, China is preparing for the seventh one in July 2018. In an open and frank manner, China has briefed the WTO membership on its macro-economic, trade and investment policies, and listened attentively to their comments and suggestions on China's reform and opening-up. Other WTO members applaud China's active participation and regard China as an impressive example in reinforcing the role of TPR in monitoring commitments, ensuring compliance and enhancing openness.

Urging other WTO members to abide by multilateral trade agreements. Since its accession to the WTO, China has participated in nearly 300 TPRs on other members. It raised thousands of written questions and trade concerns to the members under review, urged them to abide by the WTO rules and their commitments, and played a positive role in safeguarding and strengthening the TPR mechanism.

## 4. Vigorously supporting the integration of developing members into the multilateral trading system

Supporting the WTO to focus on development. An important objective of the WTO is to ensure that developing members, especially least-developed country members,

benefit from international trade and boost their economic growth. As the largest developing country, China understands the difficulties of developing members to benefit from the global value chains and participate in international economic and trade governance. China worked hard to make trade an enabler of the 2030 Agenda for Sustainable Development.

Providing pragmatic and effective support to other developing members. China has reinforced its aid to other developing members, especially least-developed country members, to bridge the South-North development gap. By March 2018, it had accorded zero tariff treatment on 97 percent of all tariff lines to 36 least-developed countries (LDCs) that have diplomatic relations with China and completed exchange of notes. Responding to the "Aid for Trade" initiative, China has contributed multilateral and bilateral resources to help other developing members, especially least-developed country members, with infrastructure construction, professionals training, productivity improvement, as well as trade and investment development. It has donated USD1 million to the WTO Trade Facilitation Agreement Facility to assist the implementation of the TFA. The LDCs and Accessions Program, established by China in 2011, has helped six LDCs accede to the WTO. Since 2017, China has strengthened cooperation with the WTO and other international organizations under the South-South Cooperation Assistance Fund, and carried out cooperative projects in "Aid for Trade" to help other developing members benefit from global value chains.

### **5. Firmly opposing unilateralism and protectionism**

Unilateralism and protectionism run counter to the fundamental principles of the WTO. The multilateral trading system is a historic choice that follows the trend of global economic development. The WTO advocates the principles of rules, openness, transparency, inclusiveness and non-discrimination, and it will remain the main channel to address global trade issues. China explicitly opposes unilateralism and protectionism. Unilateralism goes against the law of the market and international rules, causes injury to others but ends up defeating oneself. Pursuing protectionism is like locking oneself in a dark room. While wind and rain may be kept outside, that dark room will also block light and air. Only through equal consultation and joint efforts can win-win results be achieved for all.

Pursuing free trade through platforms for multilateral cooperation. China advocates solving international trade problems through cooperation, dialogue and consultation on an equal footing. During the 22nd APEC Economic Leaders' Meeting, the G20 Hangzhou Summit, and the BRICS Xiamen Summit, all hosted by China, the country increased coordination with all parties concerned, and secured statements on opposing trade protectionism in the outcome documents of these summits. When attending the Belt and Road Forum for International Cooperation, the Boao Forum for Asia, and the World Economic Forum, Chinese leaders repeatedly expressed their firm support for the multilateral trading system and an open world economy. In the WTO, the vast majority of members echoed China's

opposition to unilateralism and protectionism.

### **III. China's Significant Contribution to the World After Accession to the WTO**

China steadfastly pursues a mutually beneficial opening-up strategy, upholds the WTO's principle of free trade, and has lived up to its responsibilities as a major country in the process of opening-up. From its WTO accession in 2001 to the Belt and Road Initiative in 2013, China has embraced the world with open arms, made a significant contribution to promoting international trade and increasing global wellbeing, and become a key anchor and driver for the world economy.

#### **1. Boosting world economic recovery and growth**

Since its accession to the WTO, China has accelerated its reform and opening-up process and economic growth. China's development is a forceful driver of global economic growth.

In 2016, China's GDP accounted for 14.8 percent of the world total, up by 10.7 percentage points over 2001, calculated at exchange rates. Since 2002, China's contribution to global economic growth has approached 30 percent on average. The Chinese economy has become a major engine for global economic recovery and growth.

**China has quickened its pace in promoting new industrialization, IT application, urbanization, and agricultural modernization, created enormous opportunities for consumption**

and investment, and generated more jobs for the world. According to a report released by the International Labor Organization, "Effects of China on the Quantity and Quality of Jobs in Latin America and the Caribbean", China created 1.8 million jobs for Latin America and the Caribbean region from 1990 to 2016.

China's rapid development has made tremendous contributions to the cause of global poverty reduction. Over the past 40 years of reform and opening-up, the Chinese people have emerged from scarcity to abundance and from poverty to moderate prosperity. According to current UN standards, more than 700 million Chinese people have been lifted out of poverty, accounting for more than 70% of the global total over the same period. This represents the largest contribution to poverty reduction in the world.

## 2. Foreign trade development benefiting the world

Since China's entry into the WTO, China's foreign trade has maintained sustained development, benefiting more than 1.3 billion Chinese and other peoples across the world.

Confronted with unprecedented difficulties and challenges including the global financial crisis in 2008, China has taken effective measures to stabilize and revitalize its foreign trade. According to WTO statistics, China's imports accounted for 10.2 percent of the world total merchandise import in 2017, and its exports 12.8 percent, making China a major trade

partner of more than 120 countries and regions. China's exports have provided high-quality and inexpensive products to businesses and people around the world. From 2001 to 2017, China's imports increased by an annual average of 13.5 percent, 6.9 percentage points higher than the global average; and China has become the world's second largest importer. Since 2009, China has been the largest export market for the LDCs, and absorbed 20 percent of their exports.

China's services imports increased from USD39.3 billion in 2001 to USD467.6 billion in 2017, up by an annual average of 16.7 percent, and accounting for nearly 10 percent of the world total. Since 2013, China has been the world's second largest service importer, making significant contributions to stimulating consumption, creating jobs and boosting economic growth in the exporting countries. Taking tourism services as an example, China has been the world's largest source of outbound tourists for many years in a row. In 2017, outbound tourist trips made by Chinese citizens exceeded 130 million person-times, generating USD115.29 billion of overseas tourism spending.

China's innovation in trade models has also given new impetus to world trade growth. Cross-border e-commerce and other new types and modes of foreign trade have flourished in China, providing an ever-expanding market to its trading partners. In 2017, the value of imported and exported goods in cross-border e-commerce checked and released by China Customs totaled RMB90.24 billion, up by 80.6

percent on yearly basis, of which imports stood at RMB56.59 billion, up by 120 percent compared with the previous year.

## 3. Two-way investment benefiting all countries

China has been promoting the establishment of a fair, equitable and transparent system of international trade and investment rules to boost the orderly flow of production factors, efficient resources allocation and full market integration.

China has proactively attracted foreign institutions and individuals to invest and develop in China. Since 1992, China has consistently topped the list of FDI recipients among developing countries for 26 years consecutively. After China's accession to the WTO, its FDI increased from USD46.88 billion in 2001 to USD136.32 billion in 2017, up by an annual average of 6.9 percent. FIEs have shared the benefits of China's economic development, while helping improve the quality and performance of China's economy. According to the "2018 China Business Climate Survey Report" by the American Chamber of Commerce in China (AmCham China), nearly 60 percent of the interviewed enterprises ranked China as a top three investment priority; some 74 percent of the AmCham China member enterprises plan to expand their investments in China in 2018, the highest in recent years, and one third of the interviewed enterprises plan to increase their investments in China by over 10 percent. According to the "Business Confidence Survey 2018" by the European Union Chamber of Commerce in China, more than half of its member enterprises plan to

expand their presence in China. In 2017, newly founded FIEs in China reached 35,652, registering an increase of 27.8 percent.

China's outward investment cooperation has developed in a sustained, sound, and orderly way. In terms of annual flow of outward direct investment (ODI), China's world ranking rose from the 26th place after its accession to the WTO to the third in 2017. China's outward investment cooperation has accelerated technological progress in the host countries, advanced their economic development, improved their people's well-being and created many jobs.

#### **4. Providing public goods to the world**

China receives support from the international community in its own development process and stands ready to provide more public goods to the world. China is committed to building an open platform of cooperation, upholding and growing an open world economy, and working together with other countries to build a broad community of shared interests.

Proposing the Belt and Road Initiative. In the face of difficulties in world economic development, China put forward the Belt and Road Initiative in 2013. While the proposal was initiated by China, the opportunities and achievements belong to the world. The Belt and Road Initiative plays an important role in promoting in-depth cooperation and common development between countries and regions, upholding and growing an open world economy, making economic globalization open, inclusive, balanced, win-win and beneficial to all and advancing the

building of a community with a shared future for mankind.

Since 2013, more than 80 countries and international organizations have signed cooperation agreements with China. The in-depth and practical cooperation between China and relevant countries has achieved fruitful results. From 2013 to 2017, the total value of China's trade with other Belt and Road countries exceeded USD5 trillion, and total investment by Chinese enterprises in these countries exceeded USD70 billion. By the end of 2017, Chinese enterprises had set up 75 overseas economic and trade cooperation zones in relevant countries, contributed more than USD1.6 billion taxes to the host countries and created 220,000 local jobs. Within three years starting from 2018, China will provide RMB60 billion worth of aid to the developing countries and international organizations participating in the Belt and Road Initiative, with a view to developing more projects to improve people's lives.

Hosting the China International Import Expo. Initiated by China, the China International Import Expo (CIIE) will bring together multiple international organizations and more than 100 countries. It is an international public product that promotes inclusive and mutually beneficial development around the globe. The inaugural session of CIIE will be held in November 2018. Hosting the CIIE is an important decision made by China to promote a new round of high-level opening-up, a major policy measure of China to further open its market to the world, and a concrete action by China to support economic globalization and trade liberalization. In the coming 15

years, China is expected to import USD24 trillion worth of goods. The CIIE will provide new export opportunities for the world, build a new platform for other countries and regions to share China's development dividends, and bring more dynamism to world economic growth.

#### **IV. China Is Actively Advancing Opening-Up to a Higher Level**

Fulfilling China's WTO commitments has never been the end point of its opening-up. In the face of the overwhelming trend of economic globalization and its winding path, China keeps pace with the times, takes firm steps to expand opening-up, and makes continuous efforts to open up in a more comprehensive, profound and diversified way, with a view to achieving greater mutual benefit and win-win outcomes.

##### **1. Promoting balanced development of trade**

China pursues a trade strategy of mutual benefit, win-win, diversification and balanced development. It endeavors to raise the quality and added-value of its exports, proactively increase imports, and better integrate into the global value chains. China never deliberately pursues trade surplus in goods. At the same time, China takes an objective view towards existing trade deficit in services. The country always welcomes imports that diversify market supply, improve people's quality of life, and upgrade its industrial structure. In recent years, on top of its commitments to the WTO, China has self-initiated significant reductions to import tariffs on an interim basis for multiple

times. According to the WTO, China's trade-weighted average import tariff rate had fallen to 4.4 percent in 2015, only 1.5 to 2 percentage points higher than those of developed economies such as the US and the EU. By the end of 2017, China had reduced tariffs on more than 900 tariff lines. At the 2018 Boao Forum for Asia Annual Conference, China announced plans to further reduce import tariffs and to import more high-quality, distinctive products that meet the strong demand of the Chinese people.

## 2. Facilitating international trade

China's efforts to implement the WTO Trade Facilitation Agreement, which entered into force in February 2017, have resulted in impressive improvement in China's trade facilitation. The average time for customs clearance has been reduced to less than 20 hours for imports and less than two hours for exports. China has accelerated the establishment of a single window for international trade. By the end of 2017, the China International Trade Single Window had been connected to 11 authorities and agencies responsible for border control and covered basically all major import and export procedures. This one-stop system enables traders to use a single entry point to declare freight and taxes with a single submission of documents, and track the results after a single joint inspection by the participating authorities. It has accelerated the modernization of China's port management. China will further optimize supervision and management approaches, reform port administration regime and streamline procedures and reduce costs for import and export, to create a more

### Box 2. China Takes Concrete Action to Expand Imports

At the Boao Forum for Asia Annual Conference held in April 2018, China announced plans to increase imports. It has since taken effective measures to put its plans into action. From May 1, 2018, China was to eliminate import tariffs on all common drugs including cancer drugs, alkaloid-based drugs that can treat cancer, and imported traditional Chinese medicine. All imported cancer drugs are now exempted from tariffs. From July 1, 2018, China is to reduce the most-favored-nation (MFN) tariffs for automobiles from 25 percent and 20 percent to 15 percent, and for auto parts from 25 percent to 6 percent. As a result, China's average MFN rates will have fallen to 13.8 percent for automobiles and 6 percent for auto parts. From July 1, 2018, China is to cut MFN tariffs for 1,449 consumer products from an average MFN rate of 15.7 percent to 6.9 percent, representing an average reduction of 55.9 percent. The country will further increase imports of goods and services to meet the rising needs of its consumers and to enhance the quality of its economic development. This will also boost economic growth and employment in other countries and regions. The aforementioned measures for reducing tariffs and expanding imports will provide abundant supplies to meet diverse domestic demand and promote China's supply-side structural reform and industrial restructuring and upgrading.

business-friendly environment at the port.

## 3. Substantially widening market access for foreign investment

China has adopted a foreign investment administration model of pre-establishment national treatment plus negative list. This move marks an institutional reform in response to new developments in economic globalization and changes in international rules for investment. In September 2016, the Standing Committee of the National People's Congress amended four laws including the Law on Foreign Invested Enterprises. For those foreign-invested enterprises not subject to the special administrative measures on access to foreign investment (the negative list), their establishment and changes are now administered by a "filing for record" approach instead of the examination and approval system. In the first half of 2018, revision of the negative list

for foreign investment was completed and the "Notice of the State Council on Measures for Using Foreign Investment Actively and Effectively to Promote High-Quality Economic Development" was issued to further widen market access considerably. China is making efforts to steadily liberalize its financial sector, constantly open up the services industry, and deepen the opening-up of agricultural, mining and manufacturing sectors.

As regards the shipbuilding industry, China will lift foreign equity caps for companies engaged in the design, manufacturing and repair of vessels in 2018. Moreover, China will lift foreign equity caps on airplane manufacturing of trunk airliners, regional jets, utility aircrafts, helicopters, drones and lighter-than-air aircrafts. In the automobile industry, China will remove foreign equity caps on manufacturing of special-purpose vehicles and new-energy vehicles, and phase out those on all automotive ventures over the

next five years.

#### 4. Creating a more attractive environment for foreign investment

China makes efforts to create a favorable and orderly investment environment, ease market access for foreign investment, further simplify the administrative procedures on access to foreign investment, build pilot free-trade zones (FTZs) with high standards, and better promote and protect foreign investment. China works to improve an investment climate that conforms to international rules, facilitates foreign investment and is based on the rule of law, and to make its market more transparent and better regulated. These efforts will

help attract more foreign investment into China and ensure its effective utilization.

By March 2018, all items for non-administrative license approval had been cancelled, and items for administrative approval had decreased by 44 percent as compared to March 2013. The number of investment projects by enterprises subject to verification of the central government had been reduced by 90 percent. China has comprehensively reformed its systems for business registration and registered capital, rolled out the subscribed capital registration system, and revoked 87 percent of the items subject to examination and approval preceding the industrial and commercial

registration. The time for business establishment has been shortened by at least one third. In order to alleviate the burden on businesses, China is advancing the reform of the negative list for market access, promoting the concept of "everything that is not forbidden is allowed", and reinforcing the impartiality of law enforcement.

China will continue with the reform to streamline administration, lower taxes, and reduce fees. China will further align its business environment with international economic and trade rules, enhance policy transparency, strengthen the protection of property rights, advance the rule of law, encourage competition and oppose monopoly. The enactment of the Law on Foreign Investment will be expedited to build a legal system for foreign investment that meets the needs of reform and opening-up in the new era, elevate opening-up to a higher level, push for deeper reform in the foreign investment administration system, and protect the legitimate rights and interests of foreign investment and foreign investors. The threshold will be lowered for foreign talents to work and start their own businesses in China. In addition, China will improve various development zones, build the pilot FTZs with high standard and good quality, and explore the construction of free-trade ports with Chinese characteristics.

#### Box 3. China Further Opens up Its Financial Sector to Foreign Investment

Since its accession to the WTO, China has advanced reform of its financial system and pushed the opening of its financial market into further depth and width. From the end of 2017, China has announced a series of new measures to open up its financial sector, to lower the threshold for market access and expand the business scope of foreign investors, including:

- Lifting market access restrictions on bank card clearing institutions and non-bank capayment institutions, easing restrictions on credit rating services by foreign financial services companies, and granting national treatment to foreign credit information service suppliers;
- Removing foreign equity caps on banks and financial asset management companies, and allowing foreign banks to set up both branches and subsidiaries in China;
- Canceling the requirement that foreign insurers must have a representative office in China for two years before they can establish commercial presence, allowing eligible overseas investors to engage in insurance agency and insurance assessment businesses, and lifting restrictions on the business scope of foreign invested insurance brokerage companies;
- Raising foreign equity cap to 51 percent in securities, fund management, futures, and life insurance companies, and removing the limitations after three years;
- Encouraging foreign investment in financial services in the banking sector, including trust, financial leasing, auto finance, currency brokerage, and consumer finance; and
- Applying no cap on foreign equity for new financial asset investment companies and wealth management companies sponsored and incorporated by commercial banks. These measures will open up China's financial sector far beyond China's commitments under the WTO. In the future, China will take further steps to open up its financial industry and develop a more open financial system that is internationally competitive and commensurate with China's economic scale and influence.

#### 5. Regulating outward investment

China encourages its enterprises to abide by local laws, fulfill corporate social responsibilities and observe

business principles and international practices when they do business in host countries and conduct outward investment cooperation. China will continue to promote the sustainable, reasonable, orderly and sound development of outward investment, and effectively prevent risks of all kinds. Meanwhile, in order to create a more equitable, transparent and predictable environment for foreign investment, China calls on host countries to refrain from abusing security review or adopting other restrictive practices to impose excessive limitations on foreign investment.

## 6. Advancing the Free Trade Area Strategy

The multilateral trading system and regional trade arrangement are the two wheels driving economic globalization forward. China upholds the multilateral trading system and promotes free trade arrangements. By May 2018, China had signed 16 free trade agreements (FTA) with 24 countries and regions. In 2017, trade between China and its FTA partners (excluding Hong Kong Special Administrative Region, Macao Special Administrative Region, and Taiwan Province) accounted for 25.9 percent of China's total foreign trade. In those free trade agreements, basically 90 percent of imported products enjoy duty free treatment, and approximately 120 service sectors have been opened to foreign suppliers, compared to 100 service sectors in China's commitments to the WTO at the time when China joined the organization.

Committed to advancing economic globalization and safeguarding free trade, China is

negotiating with relevant parties the Regional Comprehensive Economic Partnership for its early conclusion and implementation, and is accelerating the building of Free Trade Area of Asia-Pacific and East Asia Economic Community. With all these efforts, China will build a high standard network of free trade areas, focusing on the neighboring areas, radiating across the Belt and Road and open to the world.

## Conclusion

The world is undergoing a new round of major development, great change and profound readjustment. The mankind still faces growing uncertainties and destabilizing factors. Surging tides of anti-globalization in recent years, coupled with rising protectionism and unilateralism, have posed severe challenges to the multilateral trading system with the WTO at its core.

Economic globalization has powered global growth and is an irreversible trend of our times. China and the multilateral trading system stand together through thick and thin. China will continue to fulfill its commitments, comply with rules, actively participate in the improvement of the multilateral trading system, and give firm support to the WTO in playing a greater role in global economic governance.

China's economy has been transitioning from rapid growth to high-quality development. In this historic process, China will pursue with firmness the vision of innovative, coordinated, green, and open development that is for everyone, improve the socialist

market economy system, and stimulate the vitality of various market entities.

China will take innovation as the primary driving force for development. China will adopt a more open attitude, strengthen the protection of innovation and intellectual property rights, and enhance international exchanges and cooperation. These efforts will ensure that technological development and innovation benefit not only China, but also the world, and its convenience readily accessible to more and more people.

China calls on all countries to jointly shoulder the responsibilities of our times and believes that all countries should have equal access to development opportunities. As the largest developing country in the world, China looks forward to further cooperation and communication with other countries to jointly respond to global issues that emerge in the process of globalization, and to building a global economic governance system based on equality, equity and win-win cooperation.

China commits itself to opening up wider and deeper to promote common development across the world, providing other countries with more opportunities to share the benefits of China's development. China is willing to work hand-in-hand with its global trading partners to make economic globalization more open, inclusive, balanced and win-win with benefits to all so that different countries, different social strata and different groups of people all share in the benefits of economic globalization.



# STATEMENT BY THE MINISTRY OF COMMERCE



Regarding the Statement by the US Trade Representative on Section 301 Action released on July 10th, the Ministry of Commerce of the People's Republic of China makes the following statement:

I. The slander of the US against China about gaining extra advantage through unfair trade practice is a distortion of facts and hence is groundless. For the purpose of meeting its political need at home and containing China, the US side produced a whole set of policy logics that distorted the truth of China-US economic and trade relations. As a matter of fact, underlying problems in the American economy and society are purely caused by domestic, structural reasons in the US. The

success of the Chinese economy has never been a success of practicing mercantilism outside China or the success of practicing the so-called state capitalism. Rather it is a success of the commitment to market-oriented reform and continuous opening-up. First, China-US trade imbalance. The US side claims that it has massive trade deficit with China, but its number is over estimated, and the main reason for the deficit does not lie on the Chinese side. Rather it is because saving rate in the US remains low, the US dollar serves as international reserve currency, and the two countries differ in industrial competitiveness and international division of labor. Besides, the US, due to its cold-war mentality, imposes restrictions on the export of hi-tech

products which it has comparative advantage. Second, the so-called "theft of intellectual property". The Chinese government already put in place a full-fledged legal system to protect intellectual property rights, allowed judicial system to play a leading role in IPR protection, and promoted the establishment of IPR courts and dedicated IPR tribunals. In 2017, China paid USD 28.6 billion worth of IPR royalty, a 15-fold increase from 2001 when China joined the World Trade Organization. Third, the so-call "forced technology transfer". The Chinese government did not make this kind of request to foreign companies, and cooperation between Chinese and foreign companies in technology and other economic and trade field is contract

behavior purely based on voluntary principle. Both sides have reaped huge benefit from the cooperation over the years. Fourth, "Made in China 2025" and other industrial policies. Under market economy conditions, these policies implemented by the Chinese government are guiding documents in nature, and are open to all foreign-funded companies. The irony is that the country providing massive trade subsidy in agriculture and manufacture happens to be the United States itself.

II. The United States' accusations that China neglects differences in trade and has not taken active measures are not true. The United States claims that it has "patiently urged China" and that China ignored the US request, but the truth is that trade differences have always been an important issue to China, who has been promoting the resolution of differences through dialogue and consultations with maximum sincerity and patience, with the hope to protect China-US trade and economic cooperation, satisfy the growing needs of the Chinese people for a better life, and promote quality growth of the Chinese economy. From February to June this year alone, China engaged in four rounds of high-level economic talks with the US, and has announced the China-US Joint Statement with important consensus reached on strengthening trade and economic cooperation and avoiding a trade war. But due to domestic politics, the US has gone back on its words, brazenly abandoned the bilateral consensus, and insisted on fighting a trade war with China. China has done its utmost to prevent the escalation of trade frictions. The United States is fully responsible for the current situation.

III. The US accused China's

countermeasures have no international legal basis, but in fact it is the US unilateral initiation of a trade war that has no international legal basis at all. In August 2017, the US unilaterally launched the Section 301 investigation against China despite opposition from China and the international community. It then released a Section 301 investigation report in March 2018 and imposed 25% tariff on US\$34 billion Chinese exports to the US on July 6th in disregard of 91% opposition in the comments it received. On July 11th, the US further escalated the situation by announcing a tariff list of Chinese products worth US\$200 billion. Domestically, the 301 investigation runs counter to the US President's Statement of Administrative Action approved by Congress; internationally, it has violated its commitment made in the resolution of the WTO trade dispute with the European Community in 1998. The tariffs are typical unilateralism, protectionism and trade bullying. They are a clear violation of the basic WTO principle of most-favored-nation treatment as well as the basic spirit and principles of international law.

IV. That China was forced to take counteractions is an inevitable choice to defend national interest and global interest, and is perfectly rightful, reasonable and lawful. In facing repeated threats of a trade war by the US, the Chinese government repeatedly stated its principle position of "not wanting a trade war, not being afraid of one, and having to fight one when necessary". The Chinese side insisted on not firing the first shot, and was forced into taking reciprocal countermeasures after the U.S. first started the trade war. China did this entirely for defending its national dignity and people's interests,

defending the principles of free trade and the multilateral trading system, and defending the common interest of the countries across the world. The Chinese government has already taken the unilateralist actions of the US to the Dispute Settlement Mechanism of the WTO. The Chinese government's measures, both bilateral and multilateral, to respond to the emergent situations resulting from the US unilateral actions are in full compliance with the fundamental spirit and principles of international law.

V. The US is not only launching a trade war with China, but also with the whole world, dragging the world economy into danger. When the US willfully exits from groups based on its own interests under the pretext of "American First", it becomes an enemy to all. It not only initiates the Section 301 investigation against China based on IPR, but also launches the Section 232 investigation against key global economies in the name of national security and creates trade frictions in steel, aluminum, automobile and other key industries. At present, many WTO members have already taking countermeasures against the US and requesting consultations with the US under the WTO dispute settlement mechanism. It is fair to say that this largest trade war in the economic history waged by the US is not a trade war between the US and China, but a global trade war. Such US practices will drag the world economy into the "cold war trap", "recession trap", "anti-contract trap" and "the trap of uncertainty", seriously worsen global economic and trade environment, destroy global industrial chain and value chain, hinder global economy recovery, trigger global market fluctuations and hurt the interests of numerous multinationals and average

customers in the world.

VI. China will continue to firmly push ahead with reform and opening-up according to the plans and pace that are set, and work with the rest of the world to firmly uphold free trade and the multilateral trading system. This year marks the 40th anniversary of China's reform and

opening up. Its high speed economic growth in the past four decades hinged upon reform and opening up, and so will high quality growth in the future. No matter how things change outside, the government of China will stay determined to let the market play a decisive role in resource allocation, protect property rights and intellectual property rights, give play

to the major role of entrepreneurs, encourage competition and oppose monopoly, continue with opening up, create an attractive business climate, provide solid support for economic globalization, safeguard international trade and economic system, and grow and prosper with all countries in the world that seek progress.

## CHINA REFUTES US ACCUSATIONS OF VIOLATING WTO RULES



Beijing, July 17 (Xinhua) -- China on Tuesday refuted U.S. accusations that it has violated WTO rules, saying it would continue to abide by them, and calling on the United States to respect and obey WTO rules.

"China has always fulfilled its obligations, kept its promises and

made significant contributions to the world economy by paying great efforts and costs since it joined the WTO 17 years ago," Foreign Ministry spokesperson Hua Chunying told a routine press briefing.

Recently, the United States has issued multiple reports accusing

China of violating WTO rules, and used these to justify implementing unilateral trade measures against China.

Hua said that since 2002, China's annual average contribution to world economic growth had been close to 30 percent.

"If China hadn't abided by WTO rules, why would it have chosen to join the WTO?" she said.

The Chinese government decided to join the organization because it firmly believes integration into economic globalization is in line with the historical trend and that promoting free, open trade leads to mutually beneficial and win-win results, according to the spokesperson.

"If China hadn't abided by WTO rules, why would it have fulfilled the obligations of joining the organization?" she asked.

Hua pointed out that China had recently released a white paper, "China and the World Trade Organization."

"Speaking with facts and figures, the paper clearly shows that China has fully fulfilled its commitments in

terms of tax reductions on goods, opening of trade in services, and non-tariff measures including import quotas," she said.

"If China hadn't abided by WTO rules, why would it have always safeguarded the core values and basic principles of the WTO?" she continued.

China firmly believes that the authority and effectiveness of the multilateral trading system can be protected only by adhering to the international rules in the spirit of the contract, Hua said.

"China will never take unilateral measures easily or violate WTO fundamental rules. When handling key issues, it keeps its word and takes responsibility," the spokesperson said.

China's efforts in abiding by the WTO rules and fulfilling its

commitments have gained worldwide recognition.

According to Hua, the United States has consecutively released 16 reports on China's fulfillment of its commitments to the WTO, none of which have suggested any violation of rules except for one released this year.

"The United States not only puts its own interests above global interests, but also places its domestic rules on top of international rules," she said. "None of the countries within the WTO support the United States' unilateral actions."

"China will continue to abide by WTO rules. We hope the United States respects and obeys WTO rules with practical actions, and safeguards the multilateral trading system with the WTO as its core," Hua said.

# UNITED WE PROSPER

## Mr Li Baijun, Economic and Commercial Counsellor of Chinese Embassy in India

Multilateral trading system, free trade, these words are seemingly far away from our daily life. Yet they have influence on every details of our work and consumption. We get use to enjoy high quality and inexpensive products from all over the world while exporting our competitive products overseas. Whether in Beijing, New Delhi, New York or London, we all have access to fresh imported fruits, affordable electronic products and fashionable clothes and jewelries. A hard-working engineer in Bangalore may be busy writing codes for US Silicon Valley companies while textile workers in Gujarat are working day and night to produce latest fashion clothing for Europeans.

**MULTILATERAL TRADE**

### Together, Keeping the Doors Open

**Li Baijun**

From the General Agreement on Tariffs and Trade (GATT) in 1940 to the World Trade Organization (WTO) in 1995, the establishment of a rules-based, transparent, non-discriminatory and open multilateral trading system has seen countries all over the world working together, making the multilateral trading system a success. This has resulted in fewer trade barriers and trade frictions.

Today, having such a trading system seems natural. But only when we risk losing it, along with free trade, can we truly understand how irreplaceable it is. And to tear down such a delicate system, all one needs is a disruptive player. Recently, the US announced tariff change recommendations. Evidently based on its domestic law, the US has decided to impose additional tariffs

on various import goods. In March, on national security grounds, it adopted tariffs of 25% and 10% on steel and aluminium products imports respectively. On July 8, additional 10% tariffs on \$34 billion worth of Chinese goods were imposed. Moreover, the US threatens to consider imposing tariffs on another \$500 billion worth of Chinese goods.

As one of the countries enjoy large trade surplus with the US, India has also become a victim of US unilateral, protectionist trade practices. Extra tariffs have been imposed on Indian steel and aluminium as well. Oil import costs in India have been raised by US sanctions on Iran as well.

China has clearly expressed its stance on the US violating WTO rules and initiating a trade war. To defend China's core interests, it has been forced to impose counter tariffs on US products. India has also decided to impose additional tariffs on \$200 million worth of imports from the US.

There is an old Chinese proverb: in the open sea, if the boat capsizes, no one is safe from drowning. There are no winners in a trade war; only collateral damages. It threatens global supply chains and value chains, triggers global market turmoil and stalls the global economic recovery. This will not only disrupt the environment for India's economic development, resulting in fluctuations in currencies and oil and other commodities, but also undermine "Made in India," and slow down the economy as a whole.

At present, economic globalization is experiencing turbulence and turns, with unilateralism and protectionism on the rise. China and India have constantly promoted—and defended—the multilateral trading system. They have the responsibility to ensure the

smooth functioning of the multilateral trading system embodied in WTO and free trade. It is also in the interest of the two countries.

In President Xi Jinping and Prime Minister Narendra Modi's meetings in Wuhan and Qingdao, the two leaders have agreed to promote the construction of an open world economy, support the multilateral trading system, and conduct more positive international cooperation to jointly cope with global challenges.

In the recently published white paper, "China and the World Trade Organization" (2018), while looking back at its 17 years' development and progress since joining WTO, China has further expressed its determination in deepening reform and opening up. China looks forward to working with India and building a consensus to support the development of multilateral trading system and free trade. And to make the international political and economic order more just and equitable.

The author is economic and commercial counsellor Chinese embassy in India, New Delhi.

With these vibrant activities, free trade ensured by multilateral trading system is flourishing. Based on the exchanges, ordinary people in developed countries have enjoyed affordable and good quality products when the developed countries upgraded the industries. In the meantime, the economies in the developing countries are booming while life expectancy, infant survival rate, adult literacy rate have all gone up greatly. Take India as an example, in the waves of globalization, the economic growth has been impressive, and the size of economy has kept expanding. Moreover, the number of people living under poverty line has reduced by 260 million and the percentage had gone down from 45% in 1994 to 12.4% in 2015.

From General Agreement on Tariffs and Trade (GATT) in 1948 to WTO in 1995, the establishment of rules-based, transparent, non-discriminatory and open multilateral trading system embodied in the WTO has taken difficult negotiation and compromises. With countries all over the world working together, the multilateral trading system have worked well for 70 years, resulting in less trade barriers and fewer trade frictions. Like water and air, things that we took for granted in our lives, having such trading system seems natural. Only when we are at the risk of losing such functioning multilateral trading system and free trade, can we truly understand how indispensable it is and what our lives would become without it. Rome wasn't built in a day, but can be destroyed in one day. To tear down such delicate system, all you need is a disruptive player.

Recently, we have witnessed the United States announcing the tariff recommendations under its Section 232 and Section 301 investigations. Entirely based on domestic law, The

U.S. has decided to impose additional tariffs on various import goods. In March 2018, on national security grounds, U.S. has adopted tariffs of 25% and 10% on import steel and Aluminum products respectively. At July 6th, the U.S. has imposed additional 25% tariffs on \$34 billion worth of Chinese goods. Moreover, U.S. threatens to consider imposing tariffs on another \$500 billion worth of Chinese goods. As one of the countries enjoying surplus with the U.S., India has also become a victim of the U.S. unilateral, protectionist trade practices. Extra tariffs have been imposed to Indian steel and aluminum to the U.S. as well. Moreover, with more and more stringent H1B visa standard, fewer experts in India can work in the U.S. Oil import cost in India have been raised by the U.S. sanctions on the other country as well.

Regarding the U.S. violating World Trade Organization rules and igniting the largest trade war in economic history, China has clearly expressed our stance. It's impolite not to make a return for what one receives. To defend the nation's core interests and the people's interests we are forced to fight back and impose counter tariffs on U.S. products with equal force and scale. Likewise, India has also decided to impose additional tariffs on \$240 million worth of imports from the U.S., in retaliation against the tariffs imposed on Indian steel and aluminum exporting to the U.S.

There is an old Chinese proverb that, in the open sea, if the boat capsizes, no one is safe from drowning. There are no winners in a trade war, only collateral damages. It threatens global supply chains and value chains, triggers global market turmoil and stalls the global economic recovery. This will not only disrupt the environment for Indian economic development, resulting fluctuations in

currencies and oil and other commodities, but also undermine Made in India initiative, and slow down the taking off of Indian Economy. As Minister of Commerce and Industry of India, Mr. Suresh Prabhu puts, "The very existence of WTO is now under threat. But, if there is no WTO, all countries will face problems. There will be chaos.

At present, economic globalization experiences twists and turns, and unilateralism and protectionism are on the rise. China and India have continuously promoted and defended the multilateral trading system. We have the responsibility to ensure the smooth function of multilateral trading system embodied in the WTO and free trade. It is also in the interest of our two countries to defend multilateral trading system and free trade. In President Xi Jinping and Prime Minister Modi's meetings in Wuhan and Qingdao, the two leaders have agreed to promote the construction of an open world economy, support the multilateral trading system, and conduct more positive international cooperation to jointly cope with global challenges. Recently, China has published the White Paper "China and the World Trade Organization". In this white paper, while looking back at our 17 years' development and progress since joining WTO, we have further expressed our determination in deepening reform and opening-up, supporting the improvement of multilateral trading system, and pushing forward the development of global free trade. We look forward to working with India and building consensus to support the development of multilateral trading system and free trade, and to make the international political and economic order more just and equitable.

# CHINA'S COUNTERMEASURES IN THE TRADE WAR ARE JUSTIFIABLE, LEGITIMATE: EXPERTS

By Du Haitao, Lin Lili (People's Daily), July 17, 2018



China's countermeasures in the trade war are justifiable and legitimate, experts pointed out, believing that such response aims to safeguard China's core interests and fundamental interests of its people, as well as to protect the principle of free trade and the multilateral trading system.

"The Chinese side insisted on not

firing the first shot, and was forced into taking reciprocal countermeasures after the US first started the trade war," China's Ministry of Commerce stressed in its recent statement.

China declares determination to guard multilateral trading system

"China was forced into taking

reciprocal countermeasures, which indicated its strong resolution to oppose unilateralism, support the multilateral trading system, and protect the authoritativeness and effectiveness of the system," said Zhang Yansheng, chief researcher with the China Center for International Economic Exchanges (CCIEC).

China's countermeasures start from its determination to safeguard its core national interests and the fundamental interests of its people, Zhang said, adding that against the backdrop of intertwined world economy, the US is simply adopting a bullying practice with unilateralism and protectionism by initiating the trade war.

The US is seemingly trying to reduce trade deficits under the banner of imbalanced trade, but it indeed hopes to comprehensively contain the development of other countries, the expert unmasked the veil of the US.

Statistics showed that nearly 60 percent of the products on the \$34 billion tariff list of the US are produced by foreign enterprises in China, and a considerable part of them comes from the US itself.

In light of this, by unilaterally initiating the trade war, the US side is firing at the whole world as well as itself, said Zhang, explaining that such irrational act is extremely dangerous and will lead to a lose-lose situation.

The multilateralism, free trade and rules-based order are pit against unilateralism, protectionism and power games, researcher Sun Jie from the Institute of World Economics and Politics under Chinese Academy of Social Sciences pointed out.

Sun believes that the core of the trade war lies in the intention of the US to abandon the existing multilateral trading system and highlight the so-called fairness and reciprocal opening in bilateral trade relations, so that it will be able to increase tariffs on a unilateral basis.

Such practice has brought huge impacts and destruction to the current

global trade system, he warned.

"Sustainable and win-win results never come along with unilateral act that goes against multilateral system or global governing principles," the researcher noted.

China's reciprocal countermeasures after the irrational move of the US, as well as its complaint of such unilateral practice to the World Trade Organization (WTO) are totally in line with the fundamental principles and spirit of the international law, he stressed.

China is supported by international morality, Sun said, adding that the international society should work together to resolutely oppose unilateralism and protectionism.

An opener China will benefit world more

China will never back down from the trade war, said Chen Wenling, chief economist of the CCIEC.

It will work with other countries to safeguard the global free trade system, multilateral mechanism, and international rules, she noted, adding that the country will focus on its own issues and firmly carry forward reform and opening up.

Chen remarked that the US' denial of the globally accepted multilateral trading system is a willful violation of the international rules and order, putting negative impacts on global trade system, as well as the global industrial, supply and value chains.

In a belief that such movement of the US will not only hurt China, but also the US and the world economy at

large, Chen called on the world to firmly oppose the bullying practices of the US and protect the principle of free trade and the multilateral trade system.

China is the world's only country that has established a whole industrial chain. It has a huge domestic market and development potential, thus enjoying a larger elbow room when facing with external impacts, said Bai Ming, deputy director of the International Market Research Institute under the Ministry of Commerce.

"The US will finally expose its weaknesses and problems as time goes by, and the country will gradually get stung by China's countermeasures," Bai said, explaining that China has always been a country that is able to bounce high when pressed by external forces.

China has already showcased its resolution to further open up, which can be evidenced by the slew of new measures regarding opening up in just four days from June 26 to July 1.

The country also issued two new negative lists: one that applies to the free trade zones and another for the rest of the country, largely lowering the market access.

In addition, it rolled out new regulation for foreign enterprises registration, allowing simultaneous online documentation and commercial registration for overseas companies coming to China. Besides, it also substantially lowered the tariffs of wholesale automobiles, auto parts, cosmetics and aquatic products.

"A more open China will definitely bring more opportunities for the world," Bai noted.

# US UNILATERALLY INITIATED A TRADE WAR WITHOUT ANY INTERNATIONAL LEGAL BASIS: EXPERT

People's Daily, July 16, 2018

In a statement issued on July 12, China's Ministry of Commerce (MOC) pointed out that the United States accused China's countermeasures of having no international legal basis, but in fact it is the U.S. unilateral initiation of a trade war that has no international legal basis at all. Experts believe that the US approach is a unilateral approach prohibited by the WTO's Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), and violates the most basic spirit and principles of the WTO. That China was forced to take counteractions is an inevitable choice to defend national interests and global interests, and is perfectly rightful, reasonable and lawful.

"The section 301 investigation was initiated, investigated, decided and executed by the United States itself and has a strong characteristic of unilateralism," said Bai Ming, deputy director of the MOC International Market Research Institute. Given that, the Section 301 has been widely criticized ever since its enactment.

"It is not surprising that the economic and trade cooperation between economic powers can be frictional. The key is to adopt a reasonable and legal solution, rather

than arbitrarily adopting unilateralism and protectionism." Bai Ming said.

The Section 301 refers to an investigation under Section 301 of the US Trade Act of 1974, a law that allows the US president to unilaterally impose tariffs on another country.

As Chad Bown, a senior fellow at the Peterson Institute for International Economics once put in a metaphor - The US government acted as police force (identifying the foreign government's crime), prosecutor (making the legal arguments), jury (ruling on the evidence), and judge (sentencing the foreigner to US retaliatory punishment).

In August 2017, the US launched the Section 301 investigation against China despite opposition from China and the international community. The US released a Section 301 investigation report in March 2018 and imposed 25 percent tariffs on 34 billion U.S. dollars worth of Chinese exports to the US on July 6 in disregard of 91-percent opposition in the comments it received. On July 11, the US further escalated the situation by announcing a tariff list of Chinese products worth 200 billion U.S. dollars.

They are a clear violation of the

basic WTO principle of most-favored-nation treatment as well as the basic spirit and principles of international law. Also, the tariffs are typical unilateralism, protectionism and trade bullying, said Wang Qijiang, the vice chairman of the China Law Society.

The US has violated its commitment to free trade and should be stopped jointly by relevant parties and led back to the right track of WTO principles.

The US has totally turned its back on the framework of global multi-lateral trade, demanding only the one-side interest, which is not only disobeying the principles of global trade, but also unlikely to get the advantage.

The "fair trade" that the US claims is a clear "protectionism" under the name of fairness.

That China was forced to take counteractions is an inevitable choice to defend national interests and global interests, and is perfectly rightful, reasonable and lawful. It also demonstrates China's resolution and determination to protect the WTO multi-lateral system and the international law, said Zhang Monan, a researcher from the China Center for International Economic Exchanges.



## China-India Relations

# SENIOR CHINESE OFFICIAL CALLS FOR BRICS COOPERATION IN GLOBAL GOVERNANCE



Durban, South Africa, June 30 (Xinhua) -- BRICS countries should strengthen strategic mutual trust and pragmatic cooperation to play a more constructive role in maintaining world peace and stability, a Chinese senior official said here Friday.

Speaking at the 8th meeting of BRICS High Representatives for Security Issues, Yang Jiechi, a member of the Political Bureau of the Communist Party of China (CPC) Central Committee, said that the world is witnessing some of the most unprecedented changes in a century.

Yang, also director of the Office of the Foreign Affairs Commission of the CPC Central Committee, said BRICS countries play an important role in maintaining world peace, promoting common development and enhancing global governance.

BRICS is an acronym for the grouping of the world's leading emerging economies, namely Brazil, Russia, India, China and South Africa.

Yang said the BRICS should jointly stick to multilateralism, uphold the principles of the UN Charter and seek a peaceful settlement to disputes.

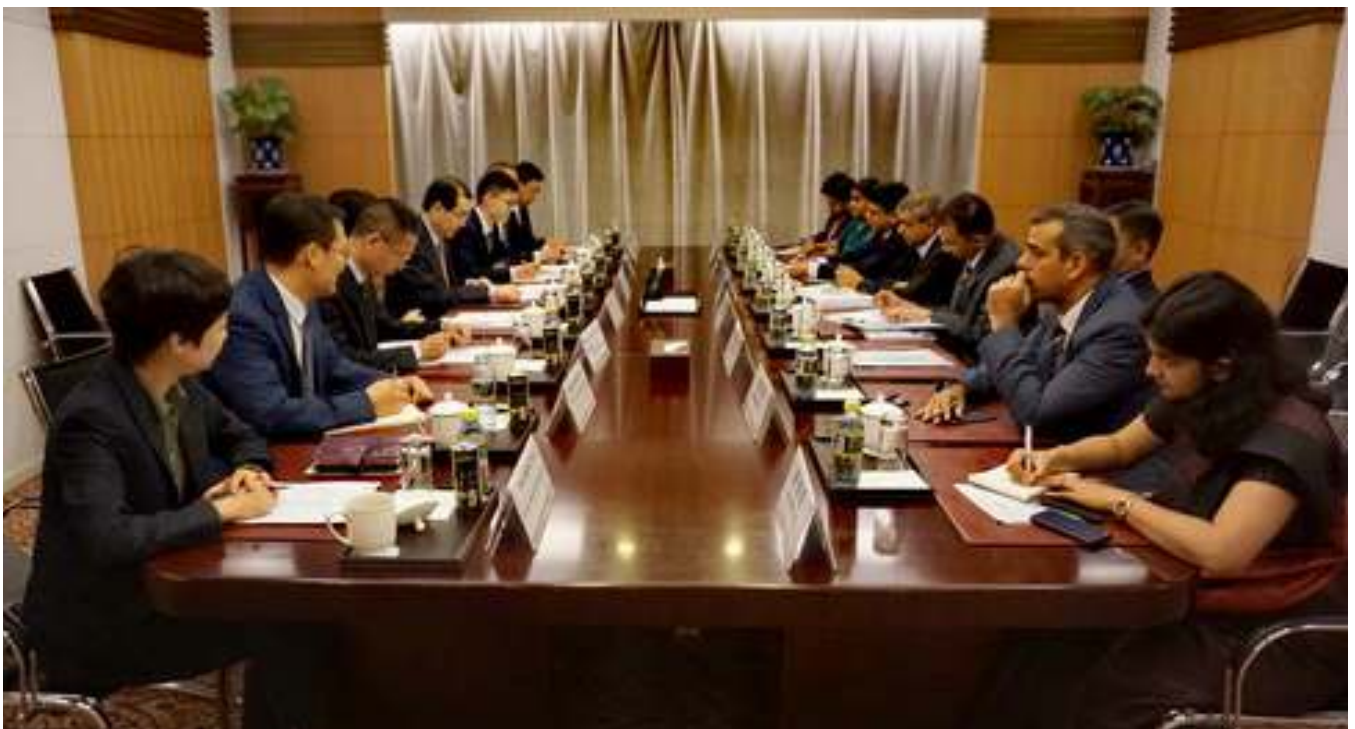
The BRICS should also enhance political and security cooperation and safeguard the common interests of emerging market countries and developing nations, he added.

Meanwhile, participants agreed that the BRICS countries should further enhance solidarity and cooperation while sticking to multilateralism so as to make positive contributions to world peace, stability and development.

During the meeting, Yang held bilateral talks with delegation leaders from the other BRICS countries.



## CHINA AND INDIA HOLD THE SECOND ROUND OF DIALOGUE ON MARITIME COOPERATION



On July 13, 2018, the Second Round of China-India Dialogue on Maritime Cooperation was held in Beijing. Director-General of the Department of Asian Affairs of the Foreign Ministry Wu Jianghai and Joint Secretary for Disarmament and International Security Affairs at the Ministry of External Affairs Pankaj

Sharma of India co-chaired the dialogue. Both sides exchanged in-depth views on maritime development strategies, maritime security situation and China-India maritime cooperation and agreed to take the important consensus reached by leaders of both countries as the guidance to intensify policy

communication, expand practical cooperation in such areas as naval exchanges, marine science and technology and maritime search and rescue, and keep coordination and cooperation in multilateral affairs, so as to promote regional security and common prosperity.

## CHINA ANNOUNCES TARIFF ADJUSTMENT UNDER APTA ARRANGEMENT

Beijing, June 27 (Xinhua) -- China will adjust tariffs on an array of imports from a number of Asia-Pacific countries from July 1, according to the Ministry of Finance.

The adjustment, covering products under 8,549 tariff codes made in Bangladesh, India, Laos, the Republic of Korea and Sri Lanka, was part of the tariff concession arrangement reached under the Asia-

Pacific Trade Agreement (APTA).

After the adjustment, tariffs on 2,323 categories of commodities such as certain chemicals, optical components and television cameras will be reduced, the ministry said.

The adjustment came after a new arrangement was reached during the fourth round of tariff concession negotiations among the six APTA

members in January 2017.

In May 2001, China joined the then Bangkok Agreement, whose name was changed to the APTA in November 2005. It aims at promoting economic and trade cooperation among its members through the adoption of mutually beneficial trade liberalization measures.

## AIIB MEETING KICKS OFF WITH FOCUS ON PRIVATE SECTOR INVESTMENT IN INFRASTRUCTURE

Mumbai, June 25 (Xinhua) -- The third annual meeting of Asian Infrastructure Investment Bank (AIIB) kicked off in India's financial hub Mumbai on Monday with the theme "Mobilizing Finance for Infrastructure: Innovation and Collaboration."

Over 3,000 delegates from over 80 members as well as varied multinational organizations are attending the two-day event, which

will see brainstorming sessions on how to mobilize finance for huge infrastructure needs in developing countries in Asia and beyond.

Policy-makers, officials from AIIB members, and participants from partner organizations, private sector and civil society organizations will share their insights on addressing the huge infrastructure-deficit in a sustainable, environment and society-friendly manner.

At AIIB Governors' seminar during the event on Monday, AIIB President Jin Liqun stressed the need to increase the private-sector investment in financing the infrastructure in developing countries of Asia.

"We are trying to work with the private sector to do infrastructure projects and investments in other productive sectors so that we don't have to put pressure on the balance-



sheet of the government," said Jin.

He called upon all the governments in Asia in particular to clear hurdles in the way of private-sector investment for building infrastructure.

He also hoped that the private sector will be more than willing to pour money into infrastructure projects if government clears practical hurdles in the way of investment.

He said that AIIB wants to work as a bridge between private sector and governments.

Jin also shared the best practices adopted by the Chinese government in clearing hurdles for building massive infrastructure across China. "We must be innovative and we must be responsive to the needs of the (local) people," he said.

He also termed the Beijing-based bank as a problem-solver in order to forge a win-win partnership. "I believe

that we are not just financiers, we are problem solver for the government, for the private sector," he said.

At a media-briefing during the event, AIIB Vice President Danny Alexander also enumerated priorities and lending norms of the AIIB. "Lean, clean and green is the way we work. We invest in sustainability and are guided by those priorities. Our bank is apolitical and all projects have to pass our test on sustainability and environment," he said.

He also said that AIIB would consider investing in projects outside Asia as long as they serve to benefit Asian regions too.

This year, AIIB also launched an inaugural Asian Infrastructure Forum during the Mumbai meeting, drawing investors from private companies around the globe. Speakers at the forum called upon multinational companies to follow public-private partnership model in order to build cross-country connectivity in Asia.

On the sidelines of the AIIB meeting, an "India Infrastructure Expo 2018" was also organized by the host country to highlight the tremendous scope of building infrastructure in India.

While inaugurating the expo on Sunday, India's Finance Minister Piyush Goyal welcomed AIIB guests from around the world. "We're extremely delighted at the progress that the Bank has made," he said.

The Indian minister has also lauded AIIB for its achievements in a short time-span of three years.

"The Asian Infrastructure Investment bank has really matured in a short period of time, and is rapidly progressing to become one of the most important infrastructure financiers across the world," said the minister, who is also on the board of governors at AIIB.

Various private companies and international agencies are showcasing their latest solutions,



advanced technologies and other offerings in the arena of infrastructure development at the India Infrastructure Expo.

Among others, International Fund for Agricultural Development (IFAD), a UN agency headquartered in Rome is also ready to join hands with AIIB in the area of rural-infrastructure in countries like India and China.

Alexander Boehm, IFAD's representative and technical specialist at the Global Engagement Knowledge and Strategic Division, told Xinhua at the sidelines of the meeting that China and India share the responsibility to lead new international institutions.

"Given their size, given their

market size and enormous potential, it only makes sense to these countries to be more active internationally," he said, while highlighting the potential scope in building rural-infrastructure in India and China as well as other developing nations.

Indian Prime Minister Narendra Modi is scheduled to address the gathering on Tuesday.

During the annual AIIB meeting, 22 seminars focusing on building infrastructure in Asia and beyond, gender and infrastructure and finding ways to fund infrastructure are being organized.

According to the latest AIIB annual report, the bank has financed 23 projects worth 4.2 billion U.S. dollars, a significant increase from

2016.

It was estimated that Asia's infrastructure needs will be over 1.7 trillion U.S. dollars per year till 2030.

India has emerged as the biggest beneficiary of the multilateral bank with the country already garnering 1.2 billion U.S. dollars of funds. Another 1.9 billion U.S. dollars of fund to finance various projects in India has also been approved by the bank.

While 75 percent of the bank's capital comes from Asia, some members from non-Asian regions like Europe, North America, and East Africa, among others, have also joined the bank.

## AN INDIAN PILGRIM'S JOURNEY IN XIZANG

Lhasa, July 5 (Xinhua) -- Anuj Gupta was one of the first Indian pilgrims to travel to this sacred mountain and lake for this year's

annual pilgrimage in southwest China's Xizang Autonomous Region.

Donning sports clothes and a

windbreaker to keep him warm in the severe high-altitude weather, Gupta arrived at Nathu La Pass along the China-India border on June 24. He



traveled to Tibet along with his mother.

The two were among 38 people in the first group of officially organized pilgrims from India this year. A total of 500 people are scheduled to arrive from India to Tibet from June to August, said Yang Zhigang, deputy director of the office of foreign affairs and overseas Chinese affairs in

Xigaze City.

Each group of pilgrims spends around 12 days on their journey, traveling from the Nathu La Pass to Ali Prefecture for a pilgrimage around Mount Kangrinboqe, 6,656 meters above sea level, and Mapam Yumco Lake, both sacred Hindu and Buddhist sites. A round trip covers 2,874 kilometers.

Gupta runs a jewelry and traditional garment shop in Lucknow of India.

"Before coming to Tibet, we spent four days in New Delhi for a medical examination to see if we were fit or not. After that, we were sent to three higher altitude places including Gantok, and then to China," he said.

Gupta's mother, 66, finished the pilgrimage with the help of porters and yaks. For younger pilgrims, the route is 52 kilometers of walking around Mount Kangrinboqe and 70 kilometers around Mapam Yumco Lake.

The pilgrims walked wide roads, across meadows and climbed up steep slopes covered with pebbles. On the first day, Gupta started out early in the morning and aimed to finish 15 kilometers in a single day.

At the foot of the glacier near Mount Drolmala, Gupta and others challenged the limits of their



strength. Steep slopes forced them to rest every few steps and a lot of people gasped for breath due to the high altitude.

"I thought we could pass the mountain without much difficulty, but if my porter were not there, I would not have made it," he said.

Residents from Gangca Village at the foot of Mount Kangrinboqe worked as porters and guides during the pilgrimage season from June to August.

The number of pilgrims was only a few dozen in the 1980s. In 2017, tourists and pilgrims exceeded 100,000, according to villagers. Working in the tourism sector has

helped boost the income of the villagers. Last year, the village cooperative, which rents out horses and yaks, earned about 10 million yuan (about 1.56 million U.S. dollars).

Wang Junhua, director of Baga Township, which administers the village, said they are developing sustainable tourism and offered information online to meet the demands of travelers around the world.

"The journey I enjoyed the most was not the final destination. I made a few friends. It made me a stronger man," Gupta said.

Gupta began heading home after circling Mapam Yumco Lake, about

4,588 meters above sea level.

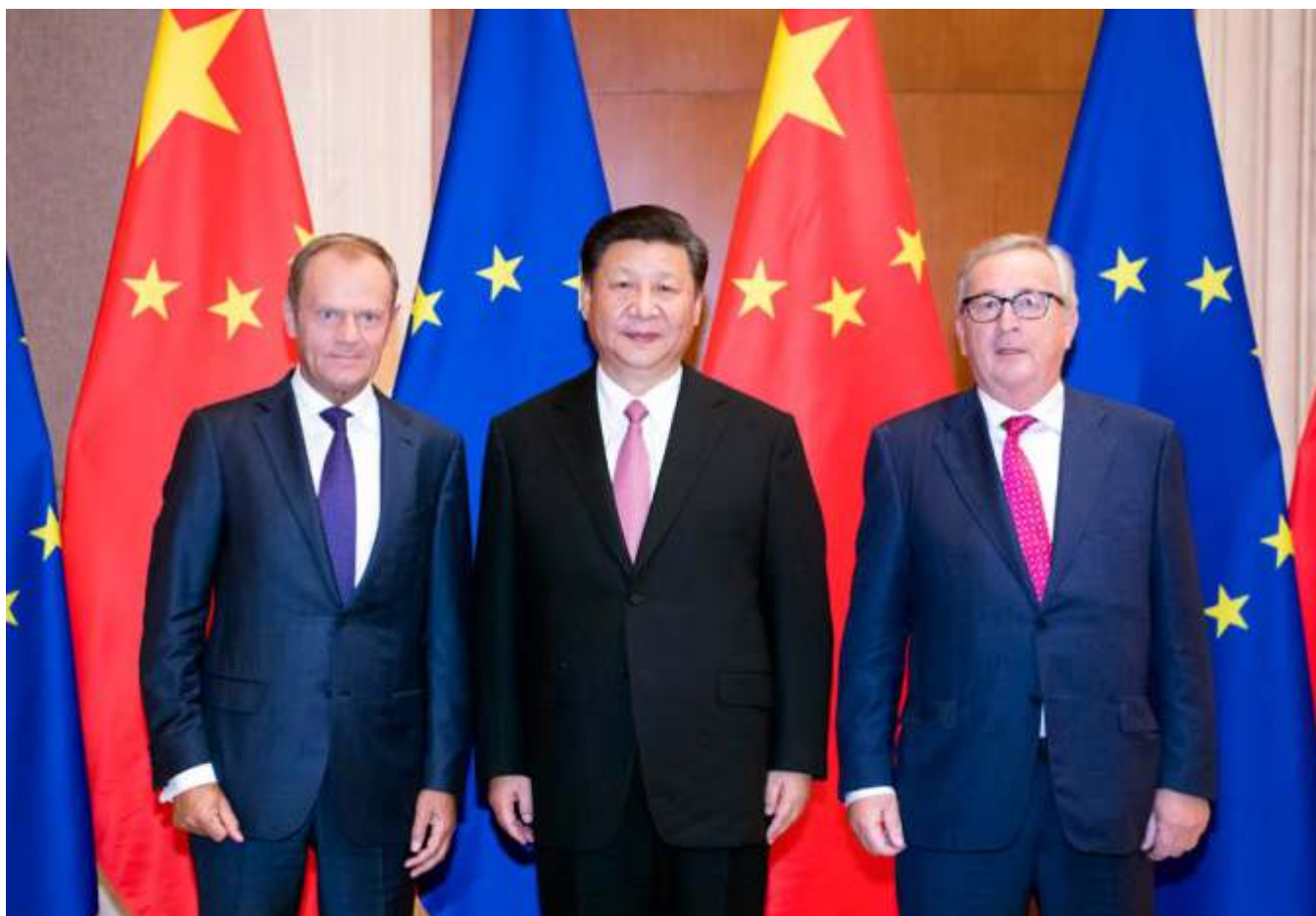
China agreed to let India officially organize pilgrims to enter Tibet through Nathu La Pass in the Sikkim section of the China-India boundary in 2015.

In the last three years, 509 such pilgrims entered Tibet through the pass.

"Every year, making arrangements for the pilgrimages takes two months. We have made arrangements for food, accommodations and transportation for the people. We also have medical staff on standby to help them," Yang said.

## External Affairs

# XI URGES OPEN WORLD ECONOMY



## Peace, growth, reform high on Sino-EU agenda

China and the European Union should make concerted efforts to safeguard multilateralism, the rules-based free trade system and an open world economy, President Xi Jinping said on Monday.

Xi's remark came as he met with visiting European Council President Donald Tusk and European Commission President Jean-Claude Juncker at the Diaoyutai State Guesthouse in Beijing.

Being among the world's largest economies and trading entities, China and the European Union are also the beneficiaries and defenders of the multilateral trading system, he said.

The two sides should follow the trend of a multipolar world and the globalization of world economy, step up strategic dialogue and coordination, promote trade and investment liberalization and facilitation, refine global governance and move forward the cause of human peace and development, he said.

China is pushing forward a new round of reform and opening-up as the country marks the 40th anniversary of its reform and opening-up this year, with a series of measures having already been rolled out, Xi said.

The country will deliver better performance in comprehensively deepening reform and expanding opening-up to the Chinese people as well as to the world in the future, he said.

Xi stressed that China has always seen the European Union as an important force that promotes stability and the development of

international order.

Dialogue and cooperation between the two sides in various areas should be pushed forward proactively, and political dialogue should be reinforced, he said, adding that the political settlement of international and regional hot spot issues should be jointly carried forward.

The two sides should also tap into the potential of economic and trade cooperation, promote two-way investment and enhance cooperation in innovation. Cooperation under the Belt and Road framework should be enriched, and practicable cooperation involving third parties should be explored, Xi said.

New areas and models for the China-Europe Civilization Dialogue should be explored to expand exchanges and cooperation in cultural and people-to-people exchanges.

Mutual understanding and exchanges should be increased, and the two sides should respect the core interests and major concerns of each other to consolidate the foundation of mutual trust for the comprehensive strategic partnership, Xi said.

China and Europe should also firmly move forward the steady and long-term development of bilateral relations to inject more stability and positive energy into international society on the basis of equal treatment and win-win cooperation, he said.

China is ready to work with the European Union to further the bilateral comprehensive strategic partnership and promote the social and economic development and the public well-being of both sides.

Tusk and Juncker both expressed gratitude for China's support for the

European integration process.

The European Union is willing to expand cooperation in various areas and enhance cooperation and communication in international affairs with China, they said, adding that the two sides should refine the multilateral trading system through multilateral consultation, according to an official release.

Also on Monday, Premier Li Keqiang, Tusk and Juncker co-chaired the 20th China-EU Leaders' Meeting in Beijing.

China and the EU agreed to make negotiation of a bilateral investment treaty the top priority and build an open, transparent, fair and predictable business environment for investors, according to a news release.

Dialogue and cooperation will be boosted in environmental protection, energy, renewable economy, technological innovation, intellectual property rights protection, digital economy and urbanization.

Witnessed by Li and the two EU leaders, six cooperative documents were signed in customs clearance, renewable economy and other fields.

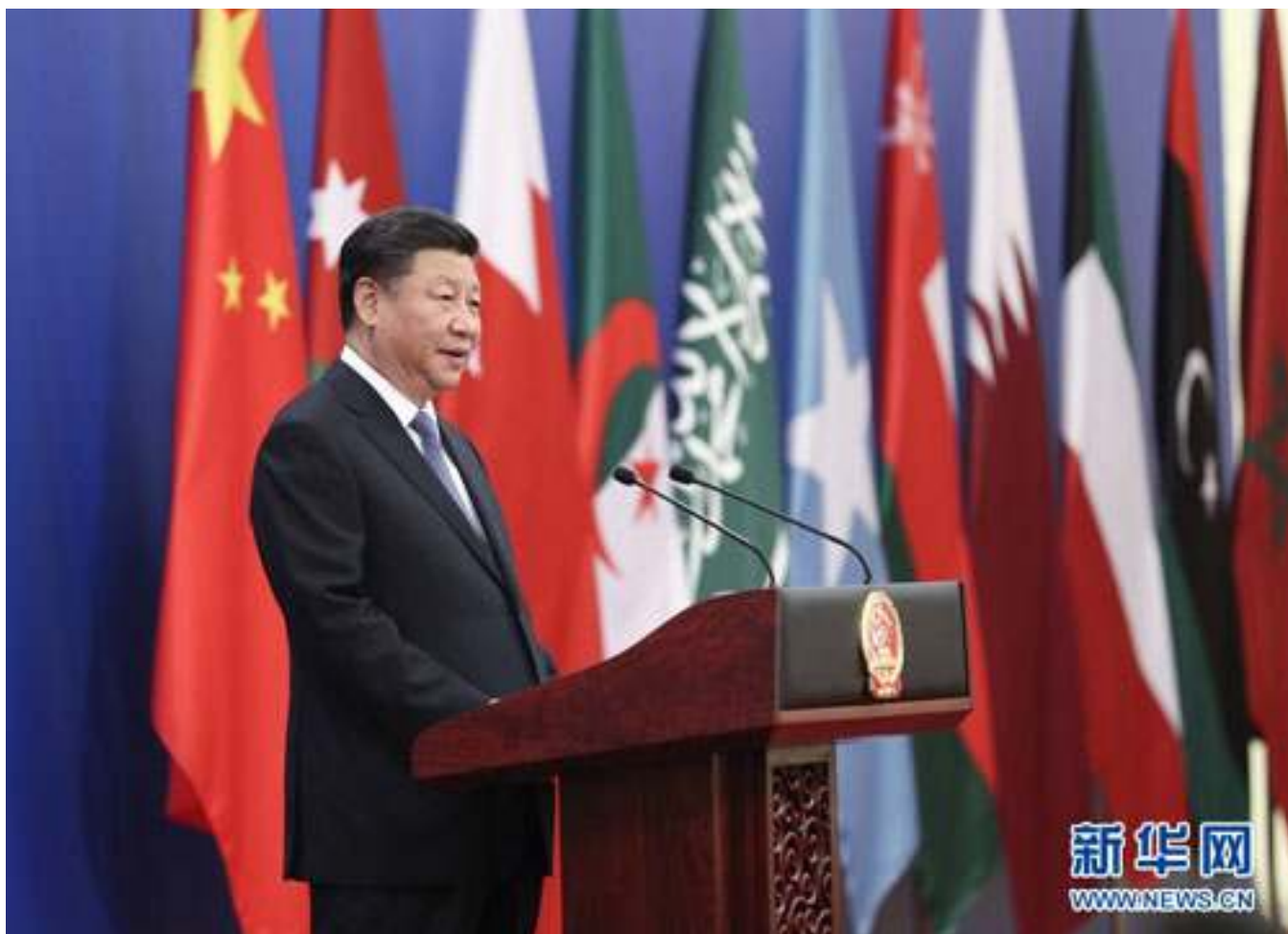
Li said China will open its door even wider.

The Chinese government released a new negative list for foreign investors recently to further lower the market access threshold.

The EU should seize the opportunity to expand trade and investment with China and loosen restrictions on high-tech exports to the world's second-largest economy, Li said.



# XI JINPING DELIVERS A SPEECH AT THE OPENING CEREMONY OF THE EIGHTH MINISTERIAL MEETING OF THE CHINA-ARAB STATES COOPERATION FORUM



On July 10, Chinese President Xi Jinping delivered a speech at the opening ceremony of the eighth ministerial meeting of the China-Arab States Cooperation Forum Tuesday morning at the Great Hall of the People in Beijing.

Xi announced that China and the Arab countries had agreed to establish

a "Sino-Arab future-oriented strategic partnership of comprehensive cooperation and common development."

Calling the Arab states China's natural partners in Belt and Road cooperation, Xi said the cooperation had energized every dimension of Sino-Arab relations and propelled

Sino-Arab all-round cooperation into a new phase.

China stands ready to work with the Arab side to coordinate the development strategies and actions, Xi said.

"We must strive to uphold peace and stability in the Middle East,

safeguard fairness and justice, promote common development and learn from each other as friends do," Xi said.

Xi said that China and the Arab states need to strengthen strategic trust, stay committed to dialogue and consultation, uphold the principle of sovereignty, champion inclusive reconciliation and fight terrorism.

In terms of helping each other realize dreams of rejuvenation, China and Arab states must stay focused on connectivity, the energy cooperation needs to be driven by both oil and gas and low-carbon energy, and financial cooperation must go in tandem with collaboration on new and high technology, Xi stressed.

Xi announced that China will set up a China-Arab states bank consortium.

Xi also proposed the two sides to achieve win-win outcomes, noting that China is committed to deepening reforms in all respects, continuing its fundamental policy of opening-up and pursuing development with its door wide open.

"China looks forward to the participation of Arab countries in the first China International Import Expo in Shanghai this November," he said.

With the need to promote inclusiveness and mutual learning, Xi announced a series of policies to enhance mutual understanding between the Chinese and Arab people, and the official launch of a China-Arab press center.

As important players in the international political arena, China and Arab states should make concerted efforts to find a new path toward full rejuvenation of the Middle

East, Xi said.

Xi stressed the importance to respect the different national circumstances of regional countries and their independent choices, and uphold the principles of treating each other as equals and seeking common ground while setting aside differences.

"We must together pursue common, comprehensive, cooperative and sustainable security," Xi said.

He also expressed his hope that all relevant parties could abide by international consensus and handle issues related to Palestine in an impartial way.

"It is imperative to build on the two-state solution and the Arab Peace Initiative, and bring the Palestine-Israel peace talks out of the



impasse as soon as possible," Xi said.

Xi also called on the two sides to work tirelessly toward the goals of rejuvenating two great nations and building a China-Arab community with converging interests and a shared future.

After Xi's speech, Kuwaiti Emir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, Saudi Foreign Minister Adel bin Ahmed Al-Jubeir and Arab League Secretary General Ahmed Aboul-Gheit delivered speeches.

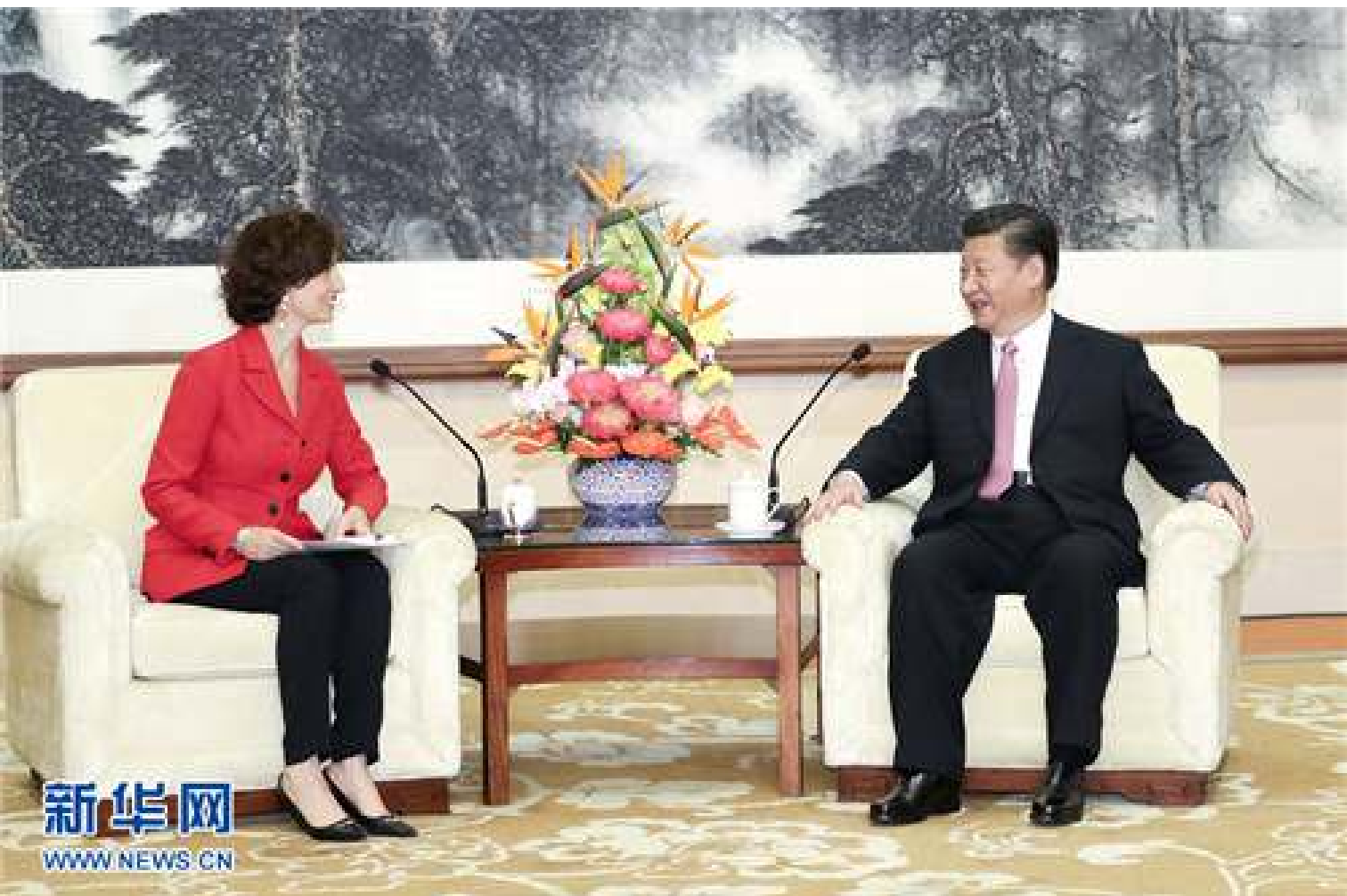
Hailing traditional friendship and cooperation potential, they said the Arab states would collectively participate in the Belt and Road, and expressed agreement with Xi's notion of "building a community with a shared future for China and the Arab states, as well as for mankind."

Calling China a trustworthy partner, they spoke highly of China's adherence to the purposes and principles of the UN Charter, and its important role in international affairs.

As the Middle East was confronted with severe challenges in peace and stability, the Arab side expected to strengthen communication and coordination with China to jointly promote the peace and stability as well as development and prosperity in the region.

The eighth ministerial meeting of the China-Arab States Cooperation Forum gathered nearly 300 attendees from China and Arab League member states

## PRESIDENT XI JINPING MEETS UNESCO DIRECTOR-GENERAL AUDREY AZOULAY



On July 16, President Xi Jinping on Monday met with United Nations Educational, Scientific and Cultural Organization (UNESCO) Director-General Audrey Azoulay in Beijing.

While welcoming UNESCO Director-General Azoulay for her first visit to China, Xi said the future and destiny of people all over the world were increasingly linked closely.

"In the new era, China adheres to cultural self-confidence, vigorously develops educational, scientific, technological and cultural undertakings, and improves the quality of civility," Xi said. "China also upholds the concept of 'a world of great harmony' and harmonious coexistence, and advocates mutual respect, greater exchange and stronger mutual understanding for different cultures."

China is willing to make greater contributions to advancing dialogue between civilizations, human

development and progress, said Xi.

"As the world's largest intellectual cooperation organization, UNESCO can play an important role in building a community with a shared future for humanity," Xi said.

Stressing that the sustained and stable development of China's relations with UNESCO was conducive to global peace and prosperity, Xi said China attached great importance to UNESCO and firmly supported the important role UNESCO had played in advancing global development.

"China is willing to deepen cooperation with UNESCO, work together for the benefits of the people of all countries, especially for helping developing countries progress in education, science and technology, and culture," Xi said.

Azoulay thanked China for its firm support for UNESCO and spoke

highly of cooperation between the two sides, saying she appreciated China's commitment to multilateralism.

There is a resurgence of isolationism and unilateralism in the world today, said the UNESCO chief, suggesting that the international community should embrace openness and inclusiveness, uphold multilateralism, and advocate dialogue and exchange, which are the importance part of global governance.

Noting UNESCO was highly compatible with Chinese concepts, Azoulay said UNESCO agreed with Xi's proposition to "build a community with a shared future for humanity."

"UNESCO is willing to actively participate in cooperation associated with Belt and Road Initiative and contribute to global peace, security and cooperation," Azoulay said.

## CHINESE PRESIDENT MEETS WORLD BANK PRESIDENT IN BEIJING

Beijing, July 16 (Xinhua) -- President Xi Jinping on Monday met with World Bank President Jim Yong Kim in Beijing.

Hailing the sound long-term cooperation between China and the World Bank, Xi said China appreciated the World Bank for supporting the Belt and Road Initiative, promoting capital increase and shareholding reforms in recent years, and improving the representation and voting power of emerging markets and developing countries, including China.

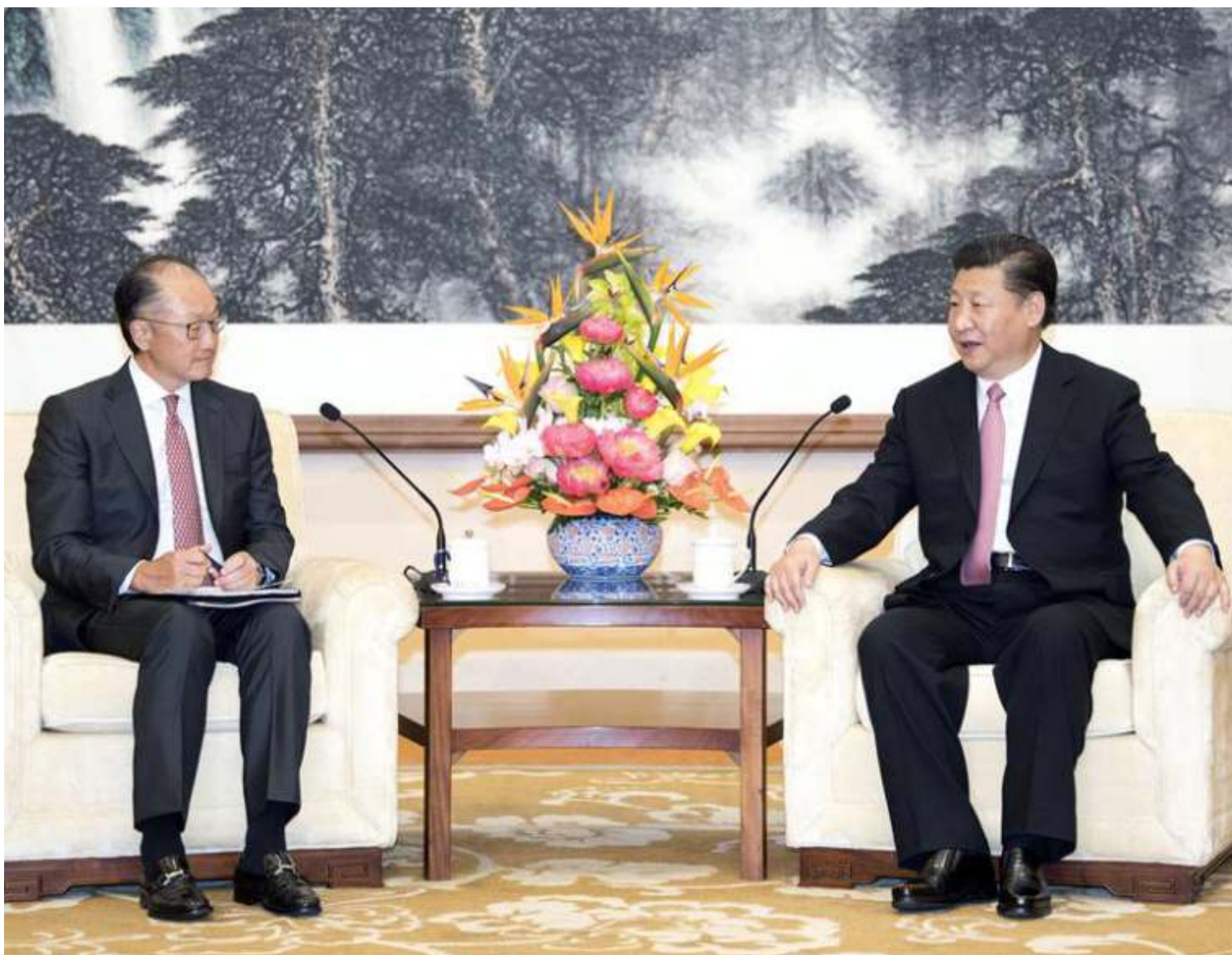
"The World Bank is an important force in safeguarding multilateralism and economic globalization," Xi said. "China is willing to deepen global development partnership with the World Bank, strengthen trade liberalization and facilitation, jointly promote global poverty alleviation and sustainable development, safeguard an open world economy and build a community of a shared future for humanity."

The world today is a global village. Despite the constant appearance of unilateralism and protectionism, the

blended interests and shared destiny of different countries and economic globalization are irresistible, and win-win cooperation represents the general trend, Xi stressed.

"China's development has benefited from economic globalization and trade liberalization, and contributed greatly to global economic growth as well," said Xi. "We oppose the false accusations against China and will firmly safeguard its legitimate interests."

As a responsible major country,



the builder and contributor to the current international system, China will unswervingly support the improvement of the multilateral trade system and the liberalization and facilitation of trade and investment, striving to work together with different partners for making the cake of cooperation bigger and achieve mutually beneficial, win-win results, he said.

"We put forward the Belt and Road Initiative to facilitate international development and

cooperation by achieving shared growth through discussion and collaboration on the basis of international rules," said Xi, stressing that China is willing to further cooperate with the World Bank under the framework of Belt and Road.

Kim expressed gratitude to China for its long-term great support to the World Bank. Noting that all countries should avoid shutting themselves in, and abide by the rules in the era of globalization, Kim said the World Bank appreciated China's support for

multilateralism and economic globalization, as well as for capital increase and shareholding reforms at World Bank.

"The Belt and Road Initiative proposed by President Xi reflects farsightedness and greatly contributes to international development and cooperation and cause of poverty reduction," Kim said. "The World Bank is willing to deepen cooperation under the initiative."

# XI JINPING, KIM JONG UN HOLD TALKS IN BEIJING



Beijing, June 19 (Xinhua) -- Xi Jinping, general secretary of the Central Committee of the Communist Party of China (CPC) and Chinese president, held talks with Kim Jong Un, chairman of the Workers' Party of Korea (WPK) and chairman of the State Affairs Commission of the Democratic People's Republic of Korea (DPRK), in Beijing on Tuesday.

The two leaders had a candid and in-depth exchange of views on the current development of China-

DPRK relations and the situation on the Korean Peninsula.

They agreed to safeguard, consolidate and develop China-DPRK relations, and jointly push forward the sound momentum of peace and stability of the Korean Peninsula to make a positive contribution to safeguarding world and regional peace, stability, prosperity and development.

Xi said that China was pleased to see the important summit between

Comrade Chairman and U.S. President Donald Trump in Singapore achieve principled consensus and positive results in realizing the denuclearization of the Korean Peninsula and establishing a lasting peace mechanism on the Peninsula.

"China speaks highly of the summit," Xi said.

Comrade Chairman's visit to China showed the great importance he attaches to the strategic



communication between the two parties and two countries, Xi said, expressing his appreciation to Kim.

Xi stressed that he and Kim had met three times in less than three months, which pointed out the direction for the development of the relations between the two parties and the two countries, and opened a new chapter in the development of China-DPRK relations.

"The CPC and the Chinese government attach great importance to China-DPRK friendly cooperative ties," Xi said.

"No matter how the international and regional situations change, the firm stance of the CPC and the Chinese government on consolidating

and developing the relations with the DPRK remains unchanged, the Chinese people's friendship with the DPRK people remains unchanged, and China's support for the socialist DPRK remains unchanged," he said.

Xi voiced his willingness to work with Kim to continue implementing the important consensus reached by both sides, and promoting the long-term development of China-DPRK relations in a healthy and stable way, to benefit the two countries and the two peoples.

This year marks the 40th anniversary of China's reform and opening-up policy. Xi said that since the reform and opening-up, the Chinese people have been

courageous to carry out self-reform and innovation, on the basis of the national conditions and having the whole world in view, and have explored a development path suitable for China's national conditions.

"We are happy to see that the DPRK made a major decision to shift the focus to economic construction, and the development of the DPRK's socialist cause has entered a new stage in history," Xi said, adding that China supports the DPRK's economic development, the improvement of people's livelihood, and its development path that accords with its national conditions.

Kim said he was very happy to meet with General Secretary Xi

Jinping again in a short period of time. He stressed China is DPRK's great friendly neighbor, and Comrade General Secretary Xi Jinping is a great leader who is greatly respected and trusted by the DPRK people.

Kim said he appreciated the sincere friendship of and valuable support from Comrade General Secretary Xi Jinping and the CPC, the Chinese government, and the Chinese people, to himself, the WPK, the DPRK government, and the DPRK people.

"I will guide all WPK members and the DPRK people to earnestly implement the important consensus reached by Comrade General Secretary and me, to lift the unbreakable DPRK-China relations to a new level," Kim said.

Xi said for a period of time, with joint efforts of parties concerned, the Korean Peninsula issue had been put back on the right track of seeking settlement through dialogue and consultation, and the situation on the Peninsula was developing towards peace and stability.

"Comrade Chairman has made positive efforts for realizing denuclearization and maintaining peace on the Peninsula," Xi said.

On the recent DPRK-U.S. summit, Xi said it marked an important step forward in the political settlement of the Korean Peninsula nuclear issue. He called on the two sides to implement the outcomes of the summit, and parties concerned to make concerted efforts to advance the peace process.

China will continue to play a

constructive role to this end, Xi said.

Kim said the DPRK-U.S. summit had achieved positive results in line with the interests of concerned parties and the expectations of the international community.

"If the two sides can implement the consensus of the summit step by step solidly, the denuclearization of the Korean Peninsula will open up a new and important prospect," Kim said.

He said the DPRK greatly appreciated China's important role in promoting denuclearization of the Peninsula as well as in maintaining peace and stability on the Peninsula.

"The DPRK side hopes to work with China and other concerned parties to promote the establishment of a lasting and solid peace mechanism on the Korean Peninsula, and make joint efforts to achieve lasting peace on the Peninsula," Kim said.

Before the talks, Xi held a welcome ceremony for Kim at the North Hall of the Great Hall of the People.

After the talks, Xi and his wife Peng Liyuan held a welcome banquet for Kim and his wife Ri Sol Ju, and watched an art performance together.

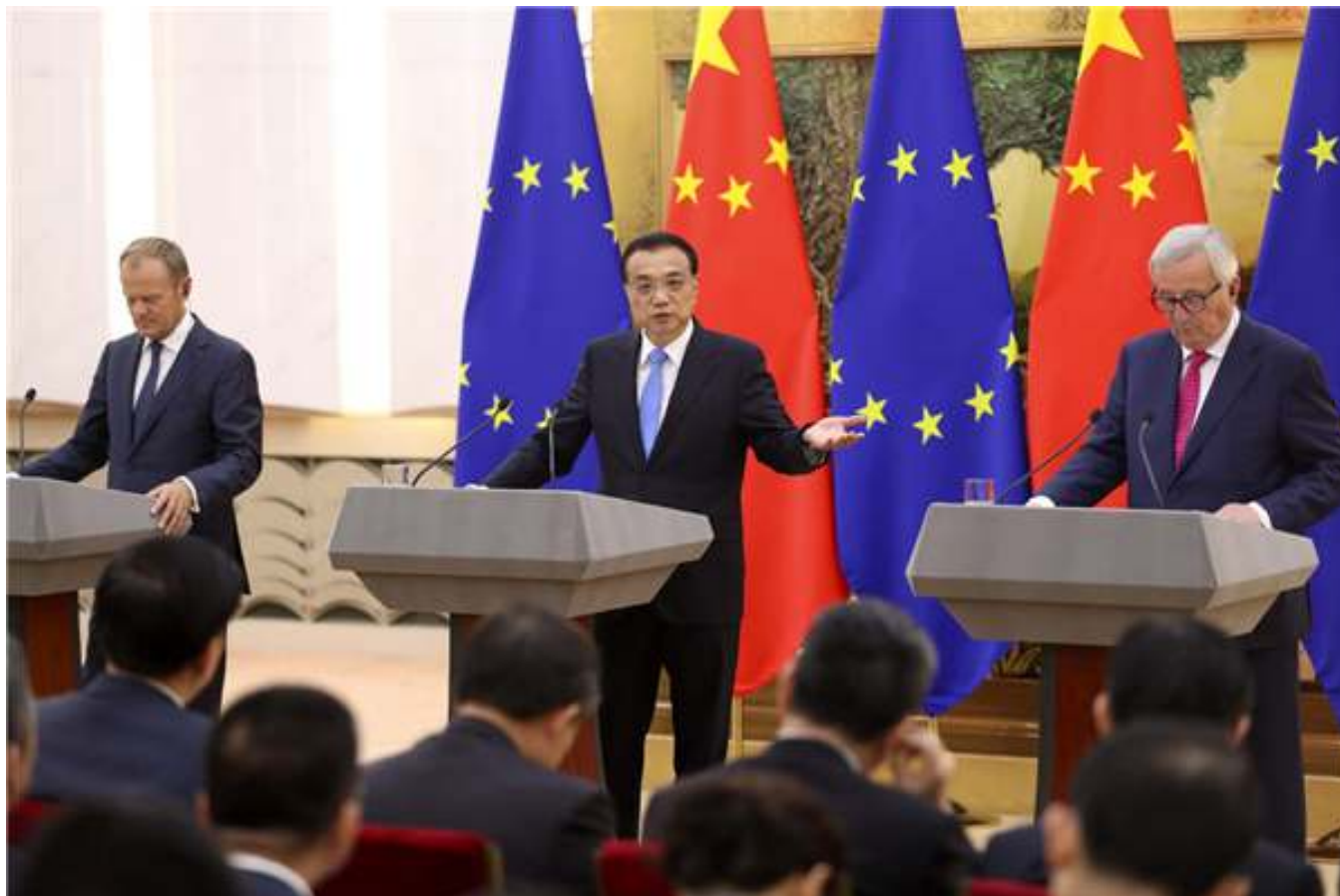
Related activities were also attended by Li Keqiang, Chinese premier and member of the Standing Committee of the Political Bureau of the CPC Central Committee; Wang Huning, member of the Standing Committee of the Political Bureau of the CPC Central Committee and member of the Secretariat of the CPC

Central Committee; Chinese Vice President Wang Qishan; Ding Xuexiang, member of the Political Bureau of the CPC Central Committee, member of the Secretariat of the CPC Central Committee and director of the General Office of the CPC Central Committee; Yang Jiechi, member of the Political Bureau of the CPC Central Committee and director of the Office of the Foreign Affairs Commission of the CPC Central Committee; Guo Shengkun, member of the Political Bureau of the CPC Central Committee, member of the Secretariat of the CPC Central Committee and head of the Commission for Political and Legal Affairs of the CPC Central Committee; Huang Kunming, member of the Political Bureau of the CPC Central Committee, member of the Secretariat of the CPC Central Committee and head of the Publicity Department of the CPC Central Committee; Cai Qi, member of the Political Bureau of the CPC Central Committee and secretary of the CPC Beijing Municipal Committee; and State Councillor and Foreign Minister Wang Yi.

Choe Ryong Hae, vice-chairman of the WPK Central Committee; Pak Pong Ju, DPRK premier; Ri Su Yong, vice-chairman of the WPK Central Committee and director of the International Department; Kim Yong Chol, vice-chairman of the WPK Central Committee and director of the United Front Department; Pak Thae Song, vice-chairman of the WPK Central Committee and Minister for Science and Education; No Kwang-chol, Minister of People's Armed Forces; and Foreign Minister Ri Yong Ho, attended related activities.



# PREMIER LI, PRESIDENT TUSK, PRESIDENT JUNCKER ENGAGE MEDIA



Premier Li Keqiang, Donald Tusk, president of the European Council, and Jean-Claude Juncker, president of the European Commission, met the press on July 16 at the Great Hall of the People in Beijing.

Both parties fully affirmed that the fruitful bilateral meetings were a genuine display of their unified political willingness to beef up an all-around strategic partnership, as well as a blueprint for the forthcoming stage of cooperation.

China and the EU unanimously

agreed that strengthening communication and cooperation, upholding multilateralism, constructing an open-end global economy, and other pressing matters are in order for joint efforts.

China and the EU also reached consensus in multiple fields, featuring underpinning cooperation on economy and trade, personnel and cultural exchanges, and multilateral cooperation.

Referring to China-EU investment agreement negotiation, Premier Li noted that the exchange of the agreement bidding list milestones

the substantial progress already attained, showcasing the pragmatic efforts made by both parties in advancing free and convenient trade and investment and their unwavering support for the multilateral trade system.

The Premier eyes ultimate consent on issues regarding bilateral trade and investment, with both sides actively pushing forward the progress of negotiations. And the free trade zone motion is expected to go on the agenda, exerting a reassuring force for cooperation between China-EU enterprises, Premier Li said.



The Premier stated that China is willing to engage in a further balanced trade relation with the EU, with tariffs on imports reduced, including automobiles, commodities, and medicine, the negative list for foreign investment shrunk, and market entry threshold lowered. That will usher in a benign business environment for both Chinese and European enterprises on the same footing.

China hopes that European enterprises will make the most of the

opportunity, with their market staying open to Chinese ones as well, Premier Li said.

Tusk and Juncker echoed his sentiment and said the EU is delighted to have witnessed China's rise to become a mainstay of the world. Meanwhile, China-EU ties have been continuously picking up momentum with enormous untapped potential.

The EU is willing to push forward the development of the China-EU

strategic partnership and safeguard principled international orders along with China, eyeing more forces pitching in on the process of WTO reform.

The EU deems it laudable that both parties agreed to conduct bidding list exchanges for investment negotiations. And a new string of achievements are within expectation, Tusk and Juncker said.

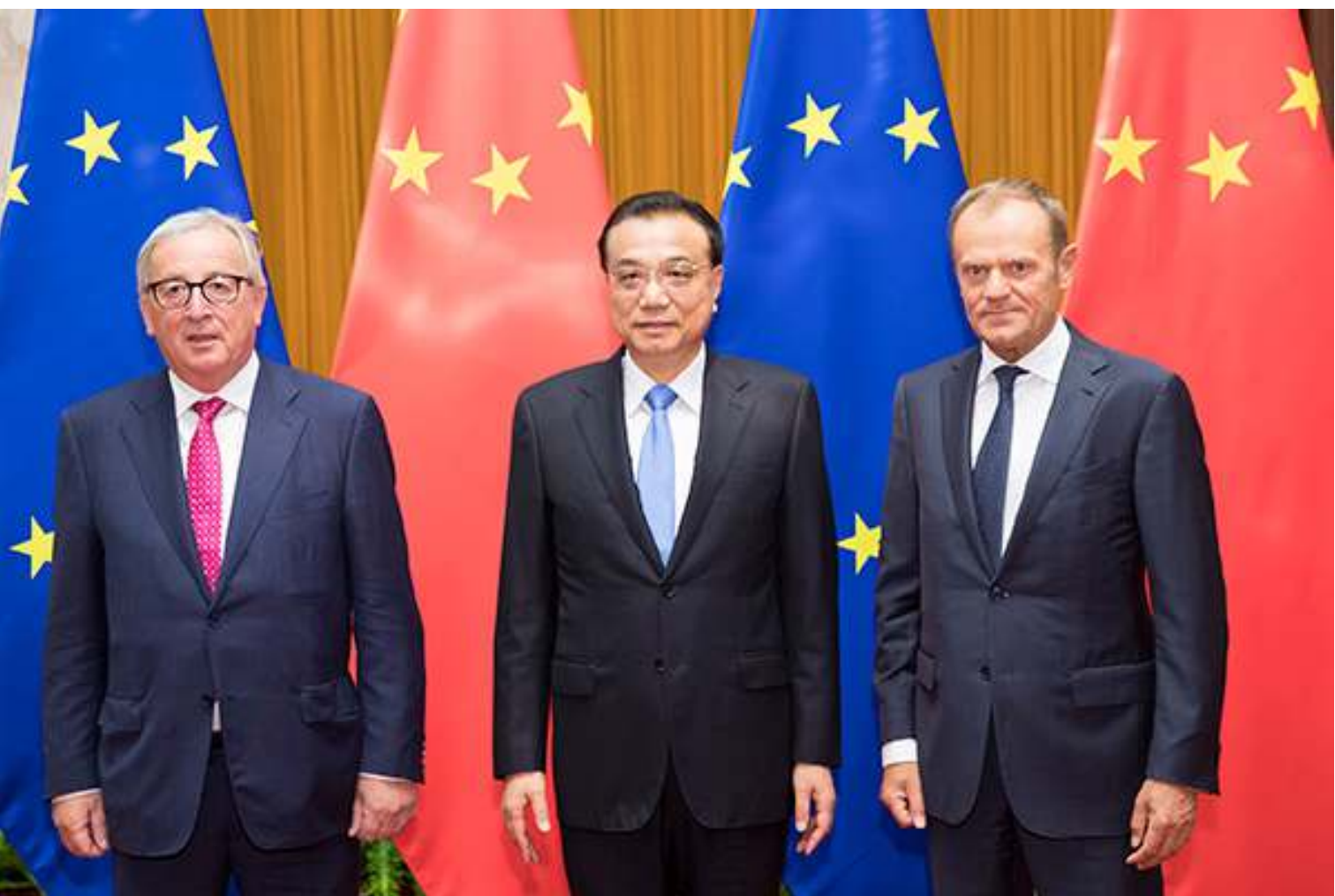
## MULTILATERALISM STRESSED WITH EUROPEAN LEADERS

Premier Li Keqiang, European Council President Donald Tusk and European Commission President Jean-Claude Juncker co-chaired the

20th China-EU leaders' meeting in Beijing on July 16.

Premier Li said China-EU

relations have come to an important stage. China steadfastly supports European integration and hopes to see a united, stable and advancing EU.



China is willing to enhance strategic communication with the EU, deepen pragmatic cooperation and push forward the comprehensive strategic partnership, the Premier said.

President Xi Jinping will meet with Tusk and Juncker to exchange opinions over the development of China-EU ties, he added.

The two sides agreed that facing a complicated international situation, especially rising unilateralism and protectionism, China and the EU - being two major forces and economies in the world - should work together to maintain the rules-based international order. They should promote multilateralism, support free trade, and promote global peace,

stability and development.

The two sides agreed to jointly safeguard the Charter of the United Nations and international law, strengthen dialogue on foreign affairs and security policy, and address common challenges.

They reached consensus on building an open world economy, promoting trade and investment liberalization and facilitation, standing against protectionism and unilateralism, supporting multilateral trade and abiding by WTO rules.

China and the EU also plan to establish a working group as a communication mechanism to discuss issues about WTO reforms.

During the meeting, the two sides exchanged the bidding list on the China-EU investment agreement and agreed to start dialogues on drug control and humanitarian aid and to perform a joint feasibility study on deepening cooperation in the wine and spirits industries.

Dialogue and cooperation in such fields as the environment, energy, intellectual property rights, digital economy and urbanization also will be promoted.

China and the EU are committed to strengthening dialogue and cooperation on intellectual property. They will expand two-way opening-up, improve the environment for market access and investment,

promote the alignment between China's Belt and Road Initiative with the EU development plan, and complete the China-EU GI Agreement negotiations as soon as possible.

The two sides agreed to advance activities under the framework of the "2018 China-EU Tourism Year", so as to enhance tourism cooperation and people-to-people exchanges.

They pledged to support the G20 as the main forum for international economic cooperation and continue to play an active role in global economic and financial governance.

It was also agreed that the common interests between China and the EU are far greater than

differences, which will be properly handled based on mutual respect, equality and mutual benefit.

Premier Li pointed out that China's door of opening-up will only open wider. Recently, the Chinese government released a new negative list for market access of foreign investment, which will further expand market access.

This is an opportunity for the EU to expand trade and investment in China, relax restrictions on high-tech exports to China, and create a fair and transparent environment for Chinese companies to invest in Europe, he said.

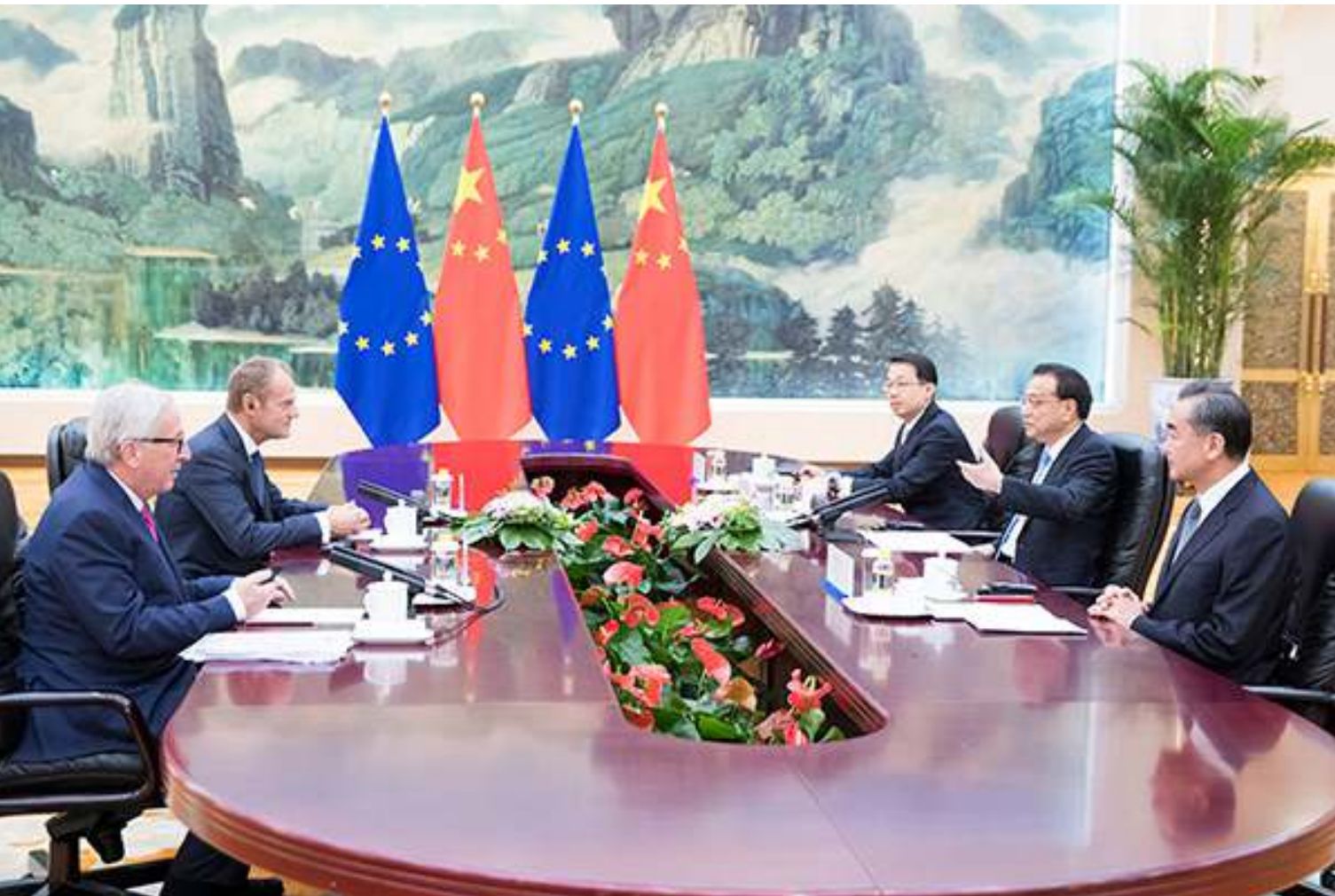
Premier Li introduced the just-concluded seventh leaders' meeting of China and 16 Central and Eastern

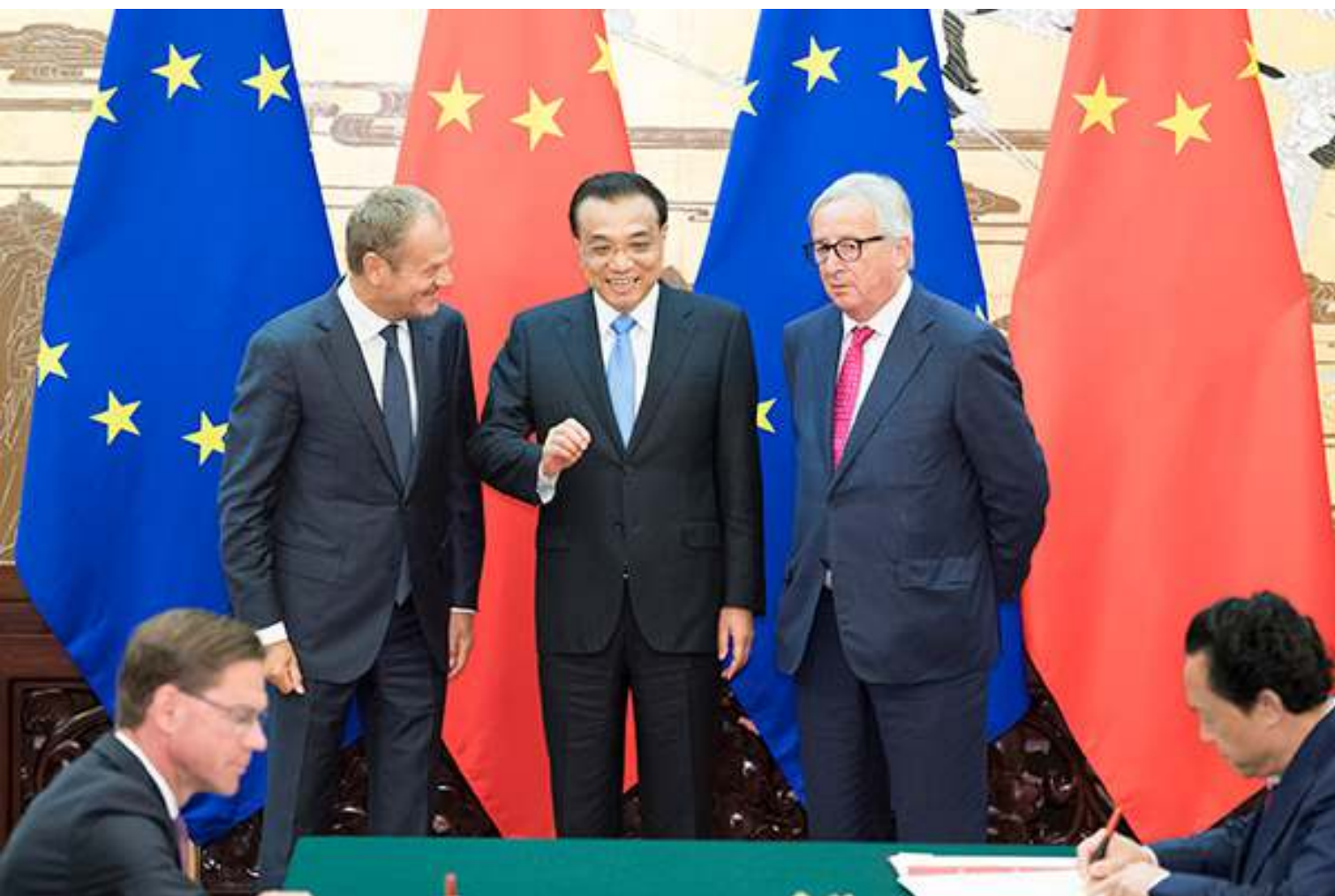
European (CEE) countries. He said 16+1 cooperation is an open, transparent and inclusive cross-regional cooperation platform and a useful supplement to China-EU relations.

It was decided at the meeting to establish the 16+1 Global Partnership Center in Sofia, Bulgaria, to help businesses in 17 countries better understand EU laws and regulations during their cooperation.

European countries and EU institutions are welcome to carry out third-party market cooperation with China in CEE countries to achieve mutual benefits and all-win outcomes, according to the Premier.

Tusk and Juncker said this year





marks the 15th anniversary of the establishment of the comprehensive strategic partnership between China and the EU. Positive progress has been achieved in bilateral cooperation in fields of trade, investment, diplomacy, connectivity and climate change.

They said that major changes, especially rising protectionism and unilateralism, are closely related to world peace and development and require shared responsibility taken by both China and the EU.

Any actions concerning such matters should be based on international rules and historical experiences to avoid conflicts and social instability, they added.

They also spoke highly of 16+1

cooperation, which provided opportunities for China and CEE countries to carry out face-to-face communication and cooperation.

The two sides also exchanged opinions on international and regional issues of common concern.

After the meeting, Premier Li, Tusk and Juncker jointly witnessed the signing of the China-EU cooperation documents in fields such as investment, environmental protection, circular economy, Blue Partnership and customs.

They agreed to issue joint statements on the 20th China-EU leaders' meeting and global issues, including climate change and clean energy.

In the morning, Premier Li and Juncker attended the opening ceremony of a roundtable of Chinese and EU entrepreneurs, and heard their suggestions on deepening China-EU cooperation. The two sides agreed that China-EU economic, trade and investment cooperation enjoy broad prospects, pledging joint efforts to expand two-way opening-up, ease market access and optimize the business environment for a win-win situation.

State Councilor and Foreign Minister Wang Yi and head of the National Development and Reform Commission He Lifeng also attended the event.

# EGRETS AT HONGZE LAKE WETLAND IN E CHINA'S JIANGSU



Egrets are seen at the Hongze Lake wetland in Sihong County, east China's Jiangsu Province, July 11, 2018. (Xinhua/Xu Changliang)



Egrets are seen at the Hongze Lake wetland in Sihong County, east China's Jiangsu Province, July 11, 2018. (Xinhua/Xu Changliang)



Egrets are seen at the Hongze Lake wetland in Sihong County, east China's Jiangsu Province, July 11, 2018. (Xinhua/Xu Changliang)

## STUDENTS LEARN MAKING SKILLS OF INTANGIBLE CULTURAL HERITAGES DURING SUMMER VACATION IN SHANDONG



Intangible cultural heritage successor Wang Xin (C, upper) teaches children to make steamed buns at her home in Zaozhuang, east China's Shandong Province, July 8, 2018. Some students in Zaozhuang learnt making skills of intangible cultural heritages to enrich their summer vacation. (Xinhua/Sun Zhongzhe)



Photo taken on July 8, 2018 shows a steamed bun made by intangible cultural heritage successor Wang Xin in Zaozhuang, east China's Shandong Province. Some students in Zaozhuang learnt making skills of intangible cultural heritages to enrich their summer vacation. (Xinhua/Sun Zhongzhe)



Intangible cultural heritage successor Wang Xin (C) teaches children to make steamed buns at her home in Zaozhuang, east China's Shandong Province, July 8, 2018. Some students in Zaozhuang learnt making skills of intangible cultural heritages to enrich their summer vacation. (Xinhua/Sun Zhongzhe)



# GIANT PANDA “YUAN ZAI” CELEBRATES 5TH BIRTHDAY AT TAIPEI ZOO



Photo taken on July 6, 2018 shows giant panda “Yuan Zai” at Taipei Zoo in Taipei, southeast China’s Taiwan. July 6 this year marks the fifth birthday of a giant panda nicknamed “Yuan Zai”, whose parents are from Chinese mainland. (Xinhua/Xue Yubin)



Photo taken on July 6, 2018 shows giant panda “Yuan Zai” looking at its birthday cake at Taipei Zoo in Taipei, southeast China’s Taiwan. July 6 this year marks the fifth birthday of a giant panda nicknamed “Yuan Zai”, whose parents are from Chinese mainland. (Xinhua/Xue Yubin)



Photo taken on July 6, 2018 shows giant panda “Yuan Zai” looking at its birthday cake at Taipei Zoo in Taipei, southeast China’s Taiwan. July 6 this year marks the fifth birthday of a giant panda nicknamed “Yuan Zai”, whose parents are from Chinese mainland. (Xinhua/Xue Yubin)

Xizang Today

## DELEGATION FROM TAIWAN VISITS XIZANG

Wu Yingjie, Secretary of the Communist Party of China (CPC) Tibet Autonomous Region Committee, held a talk with Hung Hsiu-chu, former chairperson of the Taiwan-based Kuomintang, in Lhasa on June 15, according to news from Tibet’s local official TV station.

At the meeting, Wu Yingjie expressed his welcome to Hung Hsiu-chu and gave an overview of the economic and social development in Tibet.

Hung Hsiu-chu said that she hopes to increase exchange and cooperation between Taiwan and Tibet, together making contributions to achieve the Chinese dream of national rejuvenation.

Wu Yingjie said that Tibet is currently at one of the best periods in



Wu Yingjie, Secretary of the Communist Party of China (CPC) Tibet Autonomous Region Committee, hold a talk with Hung Hsiu-chu, former chairperson of the Taiwan-based Kuomintang, in Lhasa on June 15.

history as its economy is currently developing rapidly, society continues to be stable, people's livelihoods have greatly improved, ecological protection is going well, all ethnic groups are unified and harmonious, infrastructure continues to improve, people's freedom of religious belief is fully guaranteed, and cultural heritage is preserved and passed down.

He said that he hopes more Taiwan compatriots will come to

Tibet for tourism, to invest in industries, to strengthen exchanges, to develop pragmatic cooperation, achieving mutual beneficial results.

Hung Hsiu-chu expressed her sincere admiration of the achievements Tibet has made in economic and social development.

She said that Tibet is the roof of the world and a wonderland on the earth. Under the strong leadership

and special care of the Communist Party of China and with the support and selfless assistance of people throughout the country, Tibet has achieved great development and people of all ethnic groups live happy lives in peace and contentment.

She hopes to increase exchange and cooperation between Taiwan and Tibet, together making contributions to achieve the Chinese dream of national rejuvenation.

## MONGOLIAN MONKS FINISH STUDIES IN CHINA'S TOP TIBETAN BUDDHISM COLLEGE



Monks from Mongolia receive their certificates of graduation.

The graduation ceremony of the training class for Mongolian monks at the High-level Tibetan Buddhism College of China was held at Xihuang

Temple in Beijing on June 1.

10 monks from the Sain Nomun Monastery in Ulaanbaatar, Mongolia

have completed the eight-month course.

According to the college, seven

of the monks received novice rings in Xihuang Temple. The monks in this class were diligent, polite, and dynamic. For the 10 monks who completed the course, the college hoped they would continue to advance their studies and improve their Buddhist attainments, carrying on the Buddhist traditions of compassion and altruism, and being compassionate towards all beings. The college also hoped they would become friendly ambassadors between China and Mongolia, promoting cultural exchanges between the two countries, and after returning home, they would share what they have learned, seen, and felt while studying in China with their family, friends, and other Buddhist followers.

Yunden Kaichei delivered a speech as the representative of the

Mongolian monk training class.

He said that with strong support and kind attention from the Chinese government, they were fortunate to be able to study at the High-level Tibetan Buddhism College of China. After nearly a year of hard work, they learned a lot, and their Buddhist knowledge had got great improvement. Their ability to defend debates had been exercised, and their level of Chinese and Tibetan language skills had been significantly strengthened. During their visit to famous Buddhist sites at Wutai Mountain, Puning Temple, Putuo Mountain, and others, they witnessed how China implements the policy of freedom of religious belief and the prosperity and development of Buddhism in China. Visiting Shanghai and other developed cities in Southern China opened their minds

and increased their knowledge and understanding of China's domestic and social conditions, giving them a more profound and intuitive understanding of Chinese culture.

Lastly, the college donated scriptures to the Mongolian monks and expressed their best wishes. Members of the Buddhist Association of China, monks from the Yonghe Lama Temple in Beijing, and teachers of the High-level Tibetan Buddhism College of China also attended the ceremony.

The High-level Tibetan Buddhism College of China was established in 1987 in the Xihuang Temple in Beijing and is the highest academy of Tibetan Buddhism in China.

## YOUTH FROM QINGHAI AND HONG KONG STRENGTHEN CULTURAL EXCHANGE VIA THANGKA

"I went to Tibet four years ago and began to know about its culture," Chen Yuqi, a student at the Chinese University of Hong Kong said. "At that time, when I saw thangka, I thought it was very beautiful. This time I am lucky enough to come to the birthplace of thangka to learn the art, and I'm especially looking forward to the next 40 days of study."

On July 7, the "2018 Thangka Workshop: Junior Thangka Artists Internship Program" was launched in Tongren County, Qinghai Province, in which 13 students from Hong Kong will spend 40 days in learning the thangka handicraft. During this time, in addition to studying thangka art at



the Thangka Academy, the students from Hong Kong will also undergo an art exchange with thangka painters in order to understand how to convey expressions in thangka painting.

Located in Tongren County, Huangnan Tibetan Autonomous Prefecture, Qinghai Province, "Regong", or the "golden valley", is known as the "hometown" of Tibetan painting. Thangka is foremost of the Regong arts, and in 2009, it was listed by UNESCO as a human intangible cultural heritage item.

According to Wu Hanzhong, chairman of the Qinghai-Hong Kong Youth Exchange Promotion Committee, thangka is a unique form of painting in Tibetan culture. Wu would like more students from Hong Kong to learn about traditional

Tibetan Buddhist culture, including thangka art.

"In 2016, we organized the first group of Hong Kong students to study thangka painting in Tongren County. The students all completed the painting course, and after returning to Hong Kong, they exhibited their own works at the Hong Kong Cultural Centre, which attracted a lot of attention and inquiries from visitors. For the people of Hong Kong, thangka is particularly mysterious and interesting," Wu Hanzhong said, adding that the second group of Hong Kong students has come to study, using thangka as a medium for strengthening cultural exchange between Hong Kong and Qinghai.

Huang Qinning, a student in the

Department of Anthropology at the Chinese University of Hong Kong, believes that thangka painting requires a lot of skills, and it is necessary to understand many feelings and thoughts. To this end, she hopes that through this learning exchange, she will be able to understand Tibetan culture on a deeper level, so that when she returns to Hong Kong, she can help her friends better understand Tibetan culture, too.

Wu Hanzhong said that the Thangka Handicraft Learning Program is only a small part of exchange efforts between Qinghai and Hong Kong. He hopes that in future, cultural exchange will be used to strengthen interactions between the two places.

## SUMMER CARNIVAL ON GRASSLAND IN SW CHINA



More than 500 Tibetans in Gunlun township, Garze County, Southwest China's Sichuan province celebrated summer with carnival on grassland on June 21. The Tibetan dances were hot enough to light up the atmosphere and the songs were sound to catch the audiences.



More than 500 Tibetans in Gunlhun township, Garze County, Southwest China's Sichuan province celebrated summer with carnival on grassland on June 21. The Tibetan dances were hot enough to light up the atmosphere and the songs were sound to catch the audiences.

## CEREMONY TO PRAY FOR HARVEST HELD DURING ONGKOR FESTIVAL IN CHINA'S XIZANG

People of Tibetan ethnic group take part in a ceremony to pray for harvest during the annual Ongkor Festival in Qangkyim Village of Shannan City, southwest China's Tibet Autonomous Region, July 14, 2018. The Ongkor Festival, or Bumper Harvest Festival, which has a history of more than 1,500 years, is celebrated annually by local farmers praying for good harvests of crops. (Xinhua/Lhunzhub Cering)







## BOOK REVIEW

### Xi Jinping - The Governance of China-II

Since the 18th National Congress of the Communist Party of China (CPC) held in 2012, the Central Committee with Xi Jinping as general secretary has led the whole party and the people of China in the drive to realize the Two Centenary Goals and the Chinese Dream of national rejuvenation. In pursuit of these goals the country has upheld and developed socialism with Chinese characteristics, advanced the Five-point Strategy and the Four-pronged Strategy in a coordinated and integrated manner, and achieved historic progress in reform and opening up and socialist modernization. We have braved new challenges, blazed new trails, resolved long-standing and complex problems, realized long sought objectives, championed the causes of the CPC and the country, and brought Chinese socialism to the threshold of a new era.

We hope you will find this book useful.

Please email us first to reserve the book providing the serial No. Hope to hear from you in the coming future. Your comments and suggestions on NFC are also greatly welcome.

Editor

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# FLIGHTS BETWEEN CHINA AND INDIA

## Schedule of China Southern Airlines Flights

ROUTING	FLIGHT NO.	DEPARTURE TIME	ARRIVAL TIME	FLIGHT DATES
New Delhi-Guangzhou	CZ3028	12:45	19:50	Daily
Guangzhou - NewDelhi	CZ3027	7:30	11:30	Daily
New Delhi-Guangzhou	CZ360	23:40	6:50+1	Daily
Guangzhou - NewDelhi	CZ359	18:50	22:30	Daily

## Schedule of China Southern Airlines Flights (Summer Season)

ROUTING	FLIGHT NO.	DEPARTURE TIME	ARRIVAL TIME	FLIGHT DATES
New Delhi-Guangzhou	CZ3028	11:50	19:30	Daily
Guangzhou - NewDelhi	CZ3027	7:30	11:50	Daily
New Delhi-Guangzhou	CZ360	23:10	6:50+1	Daily
Guangzhou - NewDelhi	CZ359	18:50	22:10	Daily

## China Eastern Time Table

ROUTING	Flight Number	Dep.	Arr.	Frequency	Aircraft	Remarks
Delhi-Shanghai(Pudong)	MU564	0230	1100	Daily	Airbus 330-200	Shanghai Pudong: Terminal-1
Shanghai(Pudong)-Delhi	Flight Number MU563	Dep 2110	Arr 0125+1	Frequency Daily	Aircraft Airbus 330-200	
Kolkata-Kunming	Flight Number MU556	Dep 0035	Arr 0510	Frequency Daily	Aircraft Boeing 737	Delhi IGI: Terminal-3
Kunming-Kolkata	Flight Number MU555	Dep 2355	Arr 2345	Frequency Daily	Aircraft Boeing 737	Kolkata NSCB: Terminal-2

## Schedule of Air China Flights Between India and China

ROUTING	FLIGHT NO.	DEPARTURE TIME	ARRIVAL TIME	FLIGHT DATES (JUL- AUG)	FLIGHT DATES (SEP-DEC)	FLIGHT DATES (JAN-MAR)
DEL-PEK	CA948	0310	1140	TUE/THUR/SUN	TUE/THUR/SAT/SUN	TUE/THUR/SAT/SUN
PEK-DEL	CA947	2040	0140+1	MON/WED/SAT	MON/WED/FRI/SAT	MON/WED/FRI/SAT
BOM-SHA	CA430	0150	1325	MON/TUE/THUR/SAT	MON/TUE/THUR/SAT (NOV -DEC MON/TUE/SAT)	MON/THUR/SAT
SHA-BOM	CA 429	1650	0050+1	MON/WED/FRI/SUN	MON/WED/FRI/SUN (NOV -DEC WED/FRI/SUN)	WED/FRI/SUN
BOM-PEK	CA 890	0230	1120	MON/WED/FRI/SUN	MON/WED/FRI/SUN	MON/WED/FRI/SUN
PEK-BOM	CA 889	1940	0100+1	TUE/THUR/SAT/SUN	TUE/THUR/SAT/SUN	TUE/THUR/SAT/SUN

## Address and Contact Numbers of Chinese Airlines

Airlines	Address	Contact No.
<b>Air China</b>	Ground Floor, E-9 Connaught House, Connaught Place, New Delhi 110001	Tel: 011-43508888 Fax: 011-43508899
	Unit No. 9/2, Queen's Road, Bangalore 560001	Tel: 080-43587900 Fax: 080-43587999
	Ground Floor, C&B Square, 127 Andheri-Kurla Road, Andheri (east), Mumbai 400069	Tel: 022-61175555 Fax: 022-61175566
<b>China Eastern Airlines</b>	Thapar House, 124, Janpath, New Delhi 110001	Tel: 011-43513166 Fax: 011-43513155
	228A, Land Mark Building, A.J.C. Bose Road, Kolkata 700020	Tel: 033-40448887/88 Fax: 033-22875173
<b>China Southern Airlines</b>	118, New Delhi House, 27, Barakhamba Road, New Delhi 110001	Tel: 011-43596075/77/78 Fax: 011-23737453
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Indian Pilgrim praying at Mapam Yumco Lake in Xizang

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