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National report

Political front

- Senior official calls for deepening judicial reform (15th January)

A senior Chinese official Friday urged departments concerned to actively carry forward the judicial reform to improve social justice, harmony and stability.

Zhou Yongkang, a Standing Committee member of the Political Bureau of the Communist Party of China (CPC) Central Committee, told a conference that efforts should be made to push forward the judicial reforms to build a just, efficient and authoritative socialist judicial system and improve social harmony and stability.

With China's social and economic development and rapid progress of democracy and the rule of law, Chinese people have higher claims for social equity and justice, he said.

China's judicial system and work should adapt to the new situation, new tasks and people's expectations, said Zhou, who deputy secretary of the Political and Legislative Affairs Committee of the CPC Central Committee.

He said the central authorities had listed 60 tasks for judicial reforms in 2009 and 17 of them have had enforcement plans, including those on the reform of jury system and judicial examinations.

Zhou said 2010 was crucial in deepening the judicial reform and the focus should be put on solving social conflicts, social management innovation and promoting just and clean law enforcement.

He urged departments concerned to improve sense of responsibility and urgency to actively carry forward the reform to boost judicial justice and benefit the public.

- Chinese Vice President attends graduation ceremony at Central Party School (15th January)

Chinese Vice President Xi Jinping attended Friday a graduation ceremony of the Party School of the Communist Party of China (CPC) Central Committee and conferred certificates on graduates.

Xi, a member of the Standing Committee of the Political Bureau of the CPC Central Committee, is president of the school.

A total of 777 graduates from the Party School and more than 2,700 graduates from the school's branches attended the ceremony.

The Party School of the CPC Central Committee is the highest institution for training high- and middle-ranking party officials and Marxist theoreticians. The school's history dates back to the school of Marxism and Communism set up in March 1933.

- Former head of China nuclear giant removed from post, Party (15th January)

Kang Rixin, former general manager of the China National Nuclear Corporation (CNNC), has been stripped of his post and his membership of the Communist Party of China (CPC) for "serious violations of the law and breaches of discipline," the Party's discipline watchdog announced Friday.

Kang, a member of the CPC Central Committee since October 2007, was also the secretary of the CNNC's leading Party group.

He was found to have abused his authority, enabled profits for others, and taken huge bribes, according to the findings of investigations conducted by the CPC Central Commission for Discipline Inspection (CCDI).

Kang had been referred for prosecution, his illegal gains confiscated, said a statement from the CCDI to Xinhua.

Born in 1953, Kang became CNNC Party chief and general manager in September 2003. On Aug. 5 last year, the Publicity Department of the CPC Central Committee announced he was being investigated for alleged "grave violations of discipline."

The CNNC, a large state-owned enterprise, comprises more than 100 subsidiary companies and institutes.

As the main investor and the biggest owner of nuclear power plants in China, it carries out research and development as well as construction in fields such as nuclear electricity production, nuclear fuels and nuclear technology application, according to the corporation's website.

Kang's removal is the latest development in China's new anti-corruption drive.

On Dec. 31, Zhang Chunjiang, Party chief and vice chairman of China Mobile, was removed from his post for involvement in "serious economic issues."

On Jan. 14, former vice president of China's Supreme People's Court (SPC) Huang Songyou went on trial in north China's Hebei Province, for taking bribes of 3.9 million yuan (574,000 U.S. dollars) from 2005 to 2008, and embezzling 1.2 million yuan in 1997.

And on Friday, Qiao Hong, former general manager of the Shanghai-listed Kweichow Moutai Co. Ltd, maker of China's famous Moutai liquor, was sentenced to death with a two-year reprieve after being convicted on corruption charges.

Qiao, 56, was charged with taking bribes totaling 13 million yuan from 2000 to 2007, and being unable to account for 8.2 million yuan of his assets.

According to the CCDI, which concluded a plenary session in Beijing this week, at least 15 ministerial or provincial level officials, including heads of state-owned enterprises, were investigated for corruption in 2009. Nine of them had been referred for prosecution.

However, despite the arrests of many high-ranking officials, the graft situation did not "show any sign of relaxation," Prof. Huang Zongliang of Beijing University told Xinhua earlier this week, citing the 2009 corruption index of the Transparency International, a Berlin-based non-government organization.

Among the annual rankings of 180 countries and regions, China ranked 72nd. Countries and regions towards the end of the list are regarded as more corrupt.

During the three-day CCDI meeting, Chinese President Hu Jintao also said the Party should "fully recognize the situation of the fight against corruption," which was "persistent, complicated and arduous."

Huang said China's corruption index ranking was low and there was little progress compared with that of previous years. He said an official asset reporting system would be an effective way to curb corruption.

The system has been tested in several regions, including eastern Zhejiang, Shanghai, and far western Xinjiang.

In addition, a communique issued after this week's CCDI plenary session also said Party organs at all levels should carefully administer the family reporting regulation to prevent officials from abusing power and taking bribes through relatives.

They should strengthen management of Party and government officials whose spouses and children have emigrated, it said.

- China honors outstanding units of armed police force (14th January)
China's central government and Central Military Commission on Thursday jointly honored two units of the People's Armed Police Force (PAPF) as outstanding examples.

Premier Wen Jiabao of the State Council and Chairman Hu Jintao of the Central Military Commission issued a mandate to give Class I Merit Citation to the PAPF's No. 8741 troop.

The mandate does not reveal any detail of the troop but compliments its prominent contribution to the fulfillment of some important missions.

The other mandate, also issued by Premier Wen and Chairman Hu, gives an honorary title "Hero Squadron of the Snowy Plateau" to a special service squadron of the PAPF's Contingent in Tibet Autonomous Region.

The PAPF is under the dual command of the State Council and the Central Military Commission.

- Senior Chinese leader stresses need for able Party officials to develop countryside (14th January)

Chinese Vice President Xi Jinping Wednesday stressed the need for able Party officials at county and village levels for countryside development.

Xi, who is also a member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, made the remarks when meeting with the relatives of Shen Hao, former secretary of a village committee of the CPC, whom Xi described as setting up an ideal example for village officials.

During his six years as the Secretary of the Xiaogang Village Committee of the CPC in east China's Anhui Province, Shen led impoverished villagers to build roads, improve housing facilities and help increase villagers' annual income from 2,300 yuan (337 U.S. dollars) to 6,600 yuan per capita.

On Nov. 6, 2009, he died of heart attack at the age of 45.

He was posthumously honored with the title of "national outstanding CPC member" and "the people's civil servant."

Xi said Shen had left a great legacy as a modern CPC village cadre with his "loyalty and love, innovation and hard work."

He urged Party officials at county and village levels to learn from Shen and contribute to the building of the socialist new countryside.

- President Hu issues orders to commend PLA troops (13th January)
- Chinese President Hu Jintao, also chairman of the Central Military Commission, has issued orders to commend nine People's Liberation Army (PLA) units and 16 PLA members for their outstanding actions.

Nine PLA units were awarded for their exceptional performances. And 15 PLA members, mostly senior military engineers, doctors, and heads of military institutes, were commended for professional excellence.

Zhou Bo, a PLA serviceman who sacrificed his life to rescuing a drowning child in February 2008, was also commended by President Hu.

- CPC pushes Party leaders to report family information to stem corruption (13th January)

Communist Party of China (CPC) on Wednesday pledged to strengthen its anti-corruption efforts by further implementing the Party officials' family reporting regulation.

Party organs at all levels should carefully administer the family reporting regulation to prevent officials from abusing power, taking bribes and participating in other illegal activities, according to a communique issued by the fifth plenary session of the CPC's 17th Central Commission for Discipline Inspection (CCDI).

The CPC promulgated the family reporting regulation in 2006, by which Party officials are obliged to report information such as employment conditions of their spouses and children, real estate and investment.

The communique issued on Wednesday added that the disciplinary organs would strengthen their management of those Party and government officials whose spouses and children have emigrated.

It also encouraged more public participation in the anti-corruption efforts and pledged to improve the disciplinary organs' ability to collect and research public complaints of corruption by officials through the Internet.

The Party's disciplinary organs will continue to regulate government's spending relating to the purchase of vehicles, office receptions, construction of official buildings, as well as overseas tours to ensure taxpayer's money was spent wisely.

The communique said the reporting regulation and other anti-corruption measures were introduced to support public interests and increase trust in the government.

- CPC flexes muscles to combat corruption in "arduous" mission (13th January)

China was flexing its muscles to fight corruption which was still an "persistent, complicated and arduous" task, said an expert as the internal anti-graft body of the Communist Party of China (CPC) convened its three-day plenary session.

President Hu Jintao told the meeting of the CPC Central Commission for Discipline Inspection (CCDI) that the Party should "fully recognize the situation of the fight against corruption," which was "persistent, complicated and arduous."

Last year, at least 15 ministerial or provincial level officials, including heads of State-owned enterprises (SOE), were investigated for corruption, nine of whom were referred for prosecution, the CCDI said.

Among them were former Supreme People's Court Vice President Huang Songyou, who was the first supreme court justice in China removed for grave violations of the law and the Party discipline.

"The graft fight and the promotion of a clean and honest work among Party cadres has a great bearing on the Party's survival," Prof. Huang Zongliang of Beijing University told Xinhua.

Huang said despite the arrests of many high-ranking officials, the graft situation did not "show any sign of relaxation," citing the 2009 corruption index of the Transparency International, a Berlin-based non-government organization.

Among the annual ranking of the world's countries and regions of 180, China ranked 72nd. Countries and regions towards the end of the list means more corrupt.

Huang said China's ranking was low and there was little progress compared with that of previous years.

ASSET REPORTING SYSTEM IN THE PIPELINE

He said to build a system of officials' asset reporting was an effective way to prevent corruption.

The communique of the last CCDI plenary session in September said officials should "report their properties and investment as well as employment of their spouse and children," and authorities should enhance management of officials who had family members living overseas.

Such requirement was in response to several cases of corrupt officials who fled the country with huge amount of public funds.

Huang said the public applauded the move to set up an officials' assets declaration system, as it signaled the Party's effort in pushing for transparency.

Currently, the program has been tested in several regions, including eastern Zhejiang and Shanghai and far western Xinjiang.

At the CCDI's plenary session Tuesday, Hu, also general secretary of the CPC Central Committee, said supervision and monitoring should be enhanced to form an effective corruption prevention system.

Vice Minister of Supervision Qu Wanxiang also pledged last week to tighten supervision on the SOEs and fight corruption among their executives.

At least 35 senior executives of China's large SOEs faced corruption charges last year, said a report by Faren Magazine, affiliated to the Legal Daily and overseen by the Ministry of Justice.

Among them was Kang Rixin, general manager of the China National Nuclear Corporation (CNNC), who has been under investigation for alleged grave violations of Party discipline since August.

Another prominent case involved Chen Tonghai, former chairman of China's state-run oil refiner Sinopec, who was found to have taken almost 200 million yuan (29.4 million U.S. dollars) in bribes and given a death sentence with a two-year reprieve in July.

Latest statistics show more than 106,000 officials in China were penalized for disciplinary violations from January to November last year.

President Hu vowed that no corrupt official would be above the law and Party discipline.

- Hu vows to harshly punish officials for malpractice (12th January)

Chinese President Hu Jintao vowed Tuesday that no corrupt official would be above the law and Communist Party of China (CPC) discipline.

Addressing a plenary session of the CPC Central Commission for Discipline Inspection (CCDI), the Party's anti-graft body, Hu said efforts should be made to investigate cases of power abuse, corruption and embezzlement as well as dereliction of duty.

He pledged to push forward the construction of anti-corruption procedures, with confidence, determination, forceful measures and a solid working style.

Hu, also General Secretary of the CPC Central Committee, said efforts were needed to strengthen ties between the Party and the people and to address people's complaints.

He called for enhanced supervision and monitoring on the implementation of major central policies and measures and urged the promotion of a corruption-free working style among Party leaders.

Problems that seriously violated the public interests and public complaints should be addressed to promote social harmony, he said.

The construction of the anti-corruption mechanism was a "pressing task" and important part of the country's fight against corruption.

He called for intensified and improved publicity on anti-corruption measures, reform and improvement of intra-Party supervision, expanded supervision channels, and the establishment of an anti-corruption information database and network.

He said efforts should be made to better execute anti-graft regulations and promote awareness, especially among middle and high-level officials, that "all people are equal before the law, and no privilege is allowed."

Leaders and officials should play a leading role in studying anti-graft regulations, strictly abiding by and safeguarding those regulations, he said.

Senior CPC leaders, including Wu Bangguo, Wen Jiabao, Jia Qinglin, Li Changchun, Xi Jinping, Li Keqiang and Zhou Yongkang, attended the meeting, which was presided over by He Guoqiang, head of the anti-graft commission.

- CPC discipline commission holds plenary session (12th January)

The Communist Party of China (CPC) Central Commission for Discipline Inspection (CCDI), the party's anti-graft body, held a plenary session here Tuesday.

Chinese President and General Secretary of the CPC Central Committee Hu Jintao delivered a speech at the meeting, which was also attended by senior CPC leaders including Wu Bangguo, Wen Jiabao, Jia Qinglin, Li Changchun, Xi Jinping, Li Keqiang, and Zhou Yongkang.

The meeting was presided over by He Guoqiang, head of the anti-graft commission.

- China conducts test on ground-based midcourse missile interception (11th January)

On January 11, 2010, China conducted a test on ground-based midcourse missile interception technology within its territory. The test has achieved the expected objective. The test is defensive in nature and is not targeted at any country.

- Chinese courts equipped with anti-corruption supervisors (10th January)

Justices in China's Supreme People's Court, as well as judges in local courts, will start working side by side with anti-corruption supervisors from Monday.

On Friday, 14 full time supervisors were installed in the Supreme People's Court (SPC) to oversee judges, court-order enforcers and other court staff.

The SPC said in a statement Sunday that 24,521 anti-corruption supervisors had been in place in 2,392 courts across the country.

In local courts, the posts of anti-corruption supervisors were concurrently held by senior judges, it said.

The system was born out of the efforts "to better combat corruption and redress injustices in a timely manner," said Shen Deyong, SPC executive vice-president.

The Supreme People's court had issued a tentative measure to facilitate coordination between the internal check system and external supervision departments, said the statement.

It also said courts across China would work to optimize the system with measures such as appointing more supervisors and setting up regular exchange and appraisal systems for anti-corruption supervisors.

Foreign relations

- U.S. plans to issue official protest to China over attack on Google (16th January)

The United States will issue an official protest to the Chinese government over a major espionage attack targeting Google's computer systems and rights activists' e-mail accounts that the search-engine giant said originated in China.

"We will be issuing a formal demarche to the Chinese government in Beijing on this issue in the coming days, probably early next week," State Department spokesman P.J. Crowley said Friday.

The diplomatic message will "express our concern for this incident" and seek an explanation, he said. The move may signal a shift for an administration that has been [reluctant](#), according to China experts, to press sensitive issues such as human rights, lest it offend a country whose cooperation it seeks in other areas.

On Tuesday, in a rare disclosure by a major firm, Google announced that its "corporate infrastructure" had been hacked and its intellectual property stolen. It said that the Gmail accounts of dozens of human rights activists in China, Europe and the United States were also penetrated and noted that other large companies were targeted, as well. Industry sources said 34 firms, including Google, were affected.

Google also said it will no longer filter Internet searches on its Chinese search engine, Google.cn. Although it did not directly accuse China, the Silicon Valley technology titan threatened to pull out of the country if the government does not allow it to operate uncensored. Chinese officials said that their laws ban hacking and that China's Internet is open, although they also defended a policy of keeping certain types of information off the Web in China.

The State Department's planned action coincides with a speech on Internet freedom that Secretary of State Hillary Rodham Clinton is to deliver Thursday. She is expected to allude to the incident. "When she talks about this issue, China will be one of the countries she points to," an administration official said.

"You couldn't have picked a worse company to hack if you wanted to not irritate the Americans," said James A. Lewis, a cyber and national security expert at the Center for Strategic and International Studies. "They're their favorite child," he said of Google. The

firm's chief executive advises President Obama on technology, and its Web applications are seen as the sort of innovation that will drive the new economy.

Officials said the administration has raised concerns about cybersecurity and Internet freedom with China before. But by formally protesting to the Chinese, the United States is elevating the issues to a new level, policy experts said. Richard N. Rosecrance, director of the Project on U.S.-China Relations at Harvard University, said, "I think this is the bottoming out of an extremely favorable policy toward China that might now begin to shift in another direction."

One analyst said Friday that he is not sure the attacks point to the Chinese government. Rob Knake, a cybersecurity expert with the Council on Foreign Relations, said his analysis of results from a technology firm investigating the attacks suggests that they "were not state-sponsored or the work of an elite, sophisticated group such as the Chinese military."

Nonetheless, said Sophie Richardson, Asia advocacy director for Human Rights Watch, "Google has not only forced China's hand, they have forced the U.S.'s hand" on human rights.

"What Google has done," she said, "is make it easier for the administration to come out swinging on this issue."

<http://www.washingtonpost.com/wp-dyn/content/article/2010/01/15/AR2010011503917.html>

- Chinese FM meets Latin American counterparts on bilateral ties (16th January)

Chinese Foreign Minister Yang Jiechi on Saturday met separately with some of his Latin American counterparts on the sidelines of the 4th foreign ministers' meeting of the Forum for an East Asia-Latin America Cooperation (FEALAC).

In talks with Argentine Foreign Minister Jorge Tiana, the two sides are of one mind that through joint efforts, China-Argentina strategic partnership has witnessed in-depth development over the past years.

They agreed that the two nations need to proceed from a long-term perspective, strengthen high-level exchanges, advance practical cooperation in areas of finance, energy, infrastructure construction, and promote contacts and coordination on such issues as climate change and the reform of international financial system in a bid to elevate bilateral ties to a new level.

Yang also discussed bilateral cooperative relations and issues of common concern with Mexican Foreign Secretary Paricia Espinosa Cantellano, Costa Rican Foreign Minister Bruno Stagno Ugarte and Colombian Foreign Minister Jaime Bermudez Merizalde.

The Chinese foreign minister arrived Friday to attend the 4th FEALAC foreign ministers' meeting starting Saturday.

The two-day meeting will discuss such issues as environment and sustainable development, economic and financial crisis, and social inclusion such as reducing disparities.

Initiated in 1999, the forum is an international framework consisting of 34 countries including 16 countries in Asia and 18 in Latin America, with the purpose of strengthening cooperative relations in a wide variety of areas between Asia and Latin America.

- Tanzanian President expresses heartfelt thanks to China's assistance (16th January)
Tanzanian President Jakaya Kikwete on Friday expressed heartfelt thanks to China for the support and assistance to the east African country.

Kikwete made the remarks during his meeting with visiting Chinese Minister of Commerce Chen Deming, noting that his country has benefited a lot for the cooperation with China as both sides have long-term friendly relationships.

The Tanzanian president noted that China's economy is developing at a high speed with a huge market, while Tanzania expects to further expand the trade to China and also welcomes Chinese companies to invest in the country.

He specified transportation and energy, agricultural finance, building construction and telecommunications as various sectors for both sides to strengthen cooperation.

For his part, Chen said that China and Tanzania has established deep and traditional friendship with bilateral economic and trade cooperation developing rapidly in recent years.

"The bilateral trade volume has increased by nearly four times in the past five years and the total Chinese direct investments in the east African country exceeded 200 million U.S. dollars," the Chinese commerce minister said.

He expressed China's intention to cooperate with Tanzania closely and implement the agreement reached during Chinese President Hu Jintao last year's visit to Tanzania and the fourth ministerial meeting of the Forum on China-Africa Cooperation held in the Egyptian resort of Sharm el-Sheikh on Nov. 8 to 9 to expand bilateral trade and investment, as well as people exchange and training to continue support Tanzania's economic development and social progress.

After the meeting, the two sides signed two economic and technical cooperation agreements and two preferential loan framework agreements with the witness of Kikwete.

Earlier on the day, Tanzanian Prime Minister Minzengo Pinda also met with Chen to tackle on bilateral friendly relations, economic and trade relations, expecting to strengthen cooperation on sectors of agricultural production, agricultural finance, power supply, port and railway infrastructure projects.

Chen and Tanzanian Minister of Industry and Trade Mary Nagu, among others, also were present at the ceremony for official commencement of the construction of the China-aided Tanzania Julius Nyerere International Convention Centre.

Chen arrived in Tanzania on Thursday evening for a three-day visit after his trip to Turkey, Saudi Arabia, Ethiopia and Mozambique.

- Chinese rescuers provide much-needed medical assistance in Haiti (16th January)
Being the only foreign rescue team to run medical-aid stations in quake-ravaged Haiti, Chinese rescuers are giving quake victims what they desperately need: medical assistance, team members told Xinhua via phone Saturday.

The China International Search and Rescue Team, arriving in Port-au-Prince at 2 a.m. local time on Jan. 14, opened the first medical assistance station at 8 p.m. the next day, said captain Hou Shike.

The station had been treating patients pulled out of debris and provided medical support to medical and security personnel, he said.

China's second station in the refugee camp near the office building of Haitian prime minister had treated and some 120 people, while giving hygiene tips and conducting epidemic prevention work in the camp.

"To prevent epidemics, we had sterilized an area of 300 square meters in the refugee camp crammed with thousands of quake victims," Hou said.

"Confronted with severe wound infection, numerous refugees are in urgent need of professional medical treatment," said Fan Haojun, deputy captain of the team.

He said although local volunteers had done their best to offer basic treatment, but because of the lack of wound cleansing, infections among some of the wounded had deteriorated that even small operations costed more time and medicines than usual, said Fan.

The Chinese rescue team of more than 60 people left Beijing for the Caribbean island Wednesday night along with 10 tonnes of food, equipment and medicines.

The massive quake also left eight Chinese police officers, serving in China's peacekeeping forces, buried. The body of one missing police officer had been found, said China's public security ministry late Saturday night.

- Interview: China, Vietnam to embrace new developments in cooperation: Chinese ambassador (16th January)

China and Vietnam, two traditional friends, are going to see new developments in all-round cooperation in 2010, said Chinese Ambassador to Vietnam Sun Guoxiang in an recent interview with Xinhua.

China and Vietnam are to embrace the 60th anniversary of the establishment of diplomatic relations on Jan. 18. The two countries have decided to hold various kinds of activities throughout the year to celebrate the six-decade diplomatic ties.

Early in the middle of last century, China and Vietnam forged the close bond like "comrades and brothers", said Sun.

The two sides have seen continuous development of traditional friendship and comprehensive cooperation over the past years under the care and guidance of leaders of the two countries, Sun said.

In 2008, China and Vietnam decided to establish comprehensive strategic cooperative partnership, he said.

Last year, despite the global financial crisis, bilateral trade went up to exceed 20 billion U.S. dollars, said Sun. China has become Vietnam's largest trading partner for six consecutive years.

Investment of Chinese companies to Vietnam has totaled nearly three billion U.S. dollars so far, said Sun. Economic and trade cooperation between China and Vietnam is becoming deeper and wider.

Sun said the year of 2010 is decided by leaders of the two countries to be China-Vietnam's Year of Friendship. The two sides will hold activities in economic and trade, education, culture, tourism and other fields to strengthen ties and cooperation.

These activities are expected to further enhance mutual understanding and political trust to enrich and bilateral comprehensive strategic cooperative partnership, said Sun.

The activities will also be good opportunities to educate young peoples of the two countries about traditional friendship, laying a good foundation for the future development of bilateral relations.

In the beginning of this year, Vietnam assumed the chairmanship of Association of Southeast Asian Nations (ASEAN). Sun said China will provide support to Vietnam as the new chairman and he believed cooperation between China and ASEAN will be further enhanced during this year.

China and ASEAN established Free Trade Area in the beginning of this year, with expected new developments in the fields like finance, infrastructure, agriculture and rural areas.

- Chinese FM calls for enhanced cooperation, common development between Asia, Latin America (16th January)

Chinese Foreign Minister Yang Jiechi on Saturday urged Asian and Latin American countries to promote bi-regional cooperation and seek common development.

Yang made the appeal at the ongoing foreign ministers' meeting of the Forum for East Asia-Latin America Cooperation (FEALAC).

As the world continues to be undergoing complicated and profound changes, it is of great significance that countries from both regions have an in-depth exchange of views on issues of common concern and discuss important matters for future cooperation and development, said Yang in a keynote speech.

To achieve the goal of common development, the Chinese foreign minister said that Asia and Latin America need to enhance cooperation to expedite the recovery and growth of the world economy.

And the two regions also need to facilitate coordination in a joint effort to encourage environment-friendly and sustainable development, he said.

As the FEALAC conforms to the historical trend and keeps pace with the time, the forum should be based on mutual understanding, focus on practical cooperation and aim to meet global challenges, Yang said.

China attaches great importance to and has played an active part in the forum, he said. Over the past 10 years, China has staged cooperative programs of various forms in a host of areas, which help promote mutual understanding and advance bi-regional practical cooperation, Yang said.

China is ready to launch forums on the subjects of bio-energy, medium-sized and small enterprises, finance, agriculture and culture as well as training programs in a bid to make new contributions to bi-regional cooperation, he said.

The Chinese foreign minister arrived Friday to attend the 4th FEALAC foreign ministers' meeting starting Saturday.

The two-day meeting will discuss such issues as environment and sustainable development, economic and financial crisis, and social inclusion such as reducing disparities.

Initiated in 1999, the forum is an international framework consisting of 34 countries including 16 countries in Asia and 18 in Latin America, with the purpose of strengthening cooperative relations in a wide variety of areas between Asia and Latin America.

- Senior Chinese legislators leave for Singapore, Samoa (16th January)

Senior legislators from the National People's Congress (NPC), China's top legislature, left here Saturday afternoon for visits to Singapore and Samoa.

The delegation, led by Chen Changzhi, vice-chairman of the NPC Standing Committee, will attend the 18th annual meeting of the Asia-Pacific Parliamentary Forum held in Singapore, as invited by the Singaporean parliament.

They will also pay a good-will visit to Samoa at the invitation of the legislative assembly of Samoa.

- East Asia-Latin America cooperation forum opens in Tokyo of Japan (16th January)

Foreign ministers and senior diplomats from 34 East Asian and Latin American countries gathered Saturday in the Japanese capital to discuss issues facing the international community and both regions at the Forum for East Asia-Latin America Cooperation (FEALAC).

In his opening speech, Japanese Prime Minister Yukio Hatoyama extended sympathy to people in quake-hit Haiti.

"Japan should offer maximum possible cooperation at moments like this," he said.

"East Asian and Latin American countries shall continue to be the source of the future economic growth," Hatoyama said.

"I believe that deepening cooperation with our Latin American friends is extremely meaningful," he said, adding that in this regard, the FEALAC foreign ministers' meeting taking place here is of great significance.

During the two-day FEALAC foreign ministers' meeting, discussions will be held on such issues as environment and sustainable development, economic and financial crisis, and social inclusion such as reducing disparities.

The ministers will also exchange views on methods of promoting exchange between Asia and Latin America.

Chinese Foreign Ministry spokesperson Jiang Yu said at a regular briefing in Beijing on Friday that China expects good results from the FEALAC foreign ministers' meeting and has played an active part in the forum, having hosted economic and trade, culture and education events.

China will "work with other parties in the forum to benefit the peoples of both regions," Jiang said.

Chinese Foreign Minister Yang Jiechi, present at the meeting, is scheduled to meet several of his counterparts from the two regions on the sidelines of the forum.

Initiated in 1999, the forum is an international framework consisting of 33 countries including 15 countries in Asia and 18 in Latin America, with the purpose of strengthening cooperative relations in a wide variety of areas between Asia and Latin America.

Mongolia is taking part in the meeting for the first time along with 15 other Asian nations including China, Japan and South Korea.

Foreign ministers' meetings are generally held once every two years. The previous Foreign Ministers' Meeting was held in 2007 in Brazil, where it was decided that the 2010 meeting would be held in Japan.

The foreign ministers' meeting is the highest decision-making framework. There are also senior officials meetings and three working groups of politics, culture and education; economy and society; and science and technology.

- China's relief materials leave for quake-hit Haiti (16th January)

A Boeing-747 jumbo jet carrying 90 tonnes of Chinese government's emergency humanitarian relief materials took off from Beijing Capital International Airport to quake-hit Haiti at 12:22 p.m. on Saturday.

The 13 million yuan (1.9 million U.S. dollars) quake-relief materials, including tents, stretchers, food, medicines, clothing and water purification equipment, is China's first batch of relief material to the Caribbean country.

The aid is part of a relief package worth 30 million yuan (4.41 million U.S. dollars) announced by the Chinese government Friday.

The flight will take 19 hours before arriving in Haiti via the American city of Anchorage, according to the Ministry of Commerce (MOC).

The preparations of the quake-relief supplies were completed within 24 hours after China's decision to provide the relief material to Haiti, the MOC said.

The Chinese government has always been highly concerned about any natural disasters and large-scale health emergencies happening in the international community and will do everything within its capacity to help, said Yu Yingfu, an official with the MOC Department of Aid to Foreign Countries.

A Chinese emergency rescue team has arrived in Haiti, which was rocked by a 7.3-magnitude earthquake on Tuesday.

Yu added that the Chinese government and people feel the same as Haiti counterparts feel about the great losses caused by the massive quake. "China will continue to pay close attention to the quake-hit country and provide necessary humanitarian aid."

- China to positively respond to UN flash appeal for quake-hit Haiti (16th January)

China said here Friday that the Chinese government will positively respond to the flash appeal of the United Nations and "do what it can" to aid the government and people of Haiti, devastated by a strong earthquake on Tuesday.

Liu Zhenmin, the deputy Chinese permanent representative to the UN, told a UN flash appeal meeting to raise funds for Haiti that "the Chinese government will closely follow the developments of the disaster in Haiti, and positively respond to the flash appeal of the United Nations."

"China will do what it can to provide assistance and contribute to the efforts of the Haitian people to triumph over the disaster and rebuild their homes at an early date," Liu said.

Liu said China reacted immediately after the earthquake. Right after the quake on Tuesday, Chinese President Hu Jintao and Chinese Premier Wen Jiabao instructed the Chinese departments concerned to make speedy preparations for the relief efforts in Haiti. Chinese Foreign Minister Yang Jiechi sent a message of condolences to his Haitian counterpart Alrich Nicolas.

On Wednesday, China sent a 60-member rescue team to Haiti, which started disaster relief immediately after its arrival, he said.

Following the 1-million-U.S.-dollar donation by the Red Cross Society of China, the Chinese government announced that it will provide 30 million yuan (some 4.4 million U.S. dollars) worth of humanitarian emergency supplies to Haiti.

The two charter planes loaded with the first batch of 90 tons of supplies, including medicine, tents, portable emergency lights, water purification equipment, food, drinking water and clothes, will depart for Haiti on Saturday, said Liu.

In addition, the Chinese peacekeeping police working for the UN Stabilization Mission in Haiti (MINUSTAH) are also fully engaged in the relief efforts on the ground, he said.

The United Nations and its partners Friday appealed for 562 million U.S. dollars to help the victims of the deadly earthquake in Haiti, as the world body scales up its assistance in the wake of the disaster.

The 562 million U.S. dollars is intended to assist an estimated 3 million affected people over a period of six months, with half of the funds being earmarked for emergency food aid, with the rest targeted at health, water, sanitation, nutrition, early recovery, emergency education and other key needs. The UN Central Emergency Response Fund (CERF) has allocated 25 million U.S. dollars towards the appeal.

- China, Vietnam mark 60th anniversary of diplomatic ties (16th January)

China and Vietnam held a reception in Beijing on Friday to mark the 60th anniversary of diplomatic ties.

Chen Haosu, president of the Chinese People's Association for Friendship with Foreign Countries, said China and Vietnam were friendly neighbors, which had frequent high-level visits, broad trade and economic cooperation, and cultural exchanges.

Chen said the establishment of the China-ASEAN Free Trade Area (FTA) on Jan. 1, 2010 will further boost the mutually-beneficial cooperation between China and Vietnam. Vietnamese Ambassador to China Nguyen Van Tho said he believed a series of activities to mark 2010 as the year of China-Vietnam friendship will advance the bilateral relations to a new high.

About 120 guests from both countries, including Chen Zhili, vice chairwoman of the Standing Committee of the National People's Congress, attended the reception.

China and Vietnam forged diplomatic relations on Jan. 18, 1950.

- Chinese commerce minister proposes four-point measures on Sino-Tanzanian economic, trade cooperation (15th January)

Chinese Minister of Commerce Chen Deming on Friday proposed four-point measures to further develop Sino-Tanzanian economic and trade cooperation.

Chen made the proposal during his meeting with Tanzanian Minister of Industry and Trade Mary Nagu, noting that the bilateral economic and trade cooperation is currently developing rapidly with China's imports from Tanzania up 46.7 percent in the first 11 months in 2009 and total Chinese direct investments in the east African country exceeding 200 million U.S. dollars.

The investment sectors have expanded to agriculture, pharmacy, mining and commodity producing from construction, textile and transportation, and a number of

infrastructure projects such as roads, bridges, power projects as well as water supply projects have been constructed through bilateral cooperation, the Chinese commerce minister said.

He added that the development of Sino-Tanzanian development aid is going smoothly, and the eight measures announced at the Forum on China-Africa Cooperation Beijing Summit to promote the bilateral cooperation is comprehensively implemented.

In order to further develop the Sino-Tanzanian economic and trade cooperation, Chen proposed four-point measures to continue expanding bilateral trade as the two sides have already exchanged documents on tax exemption to some export products to China under the new measures announced at the fourth ministerial meeting of the Forum on China-Africa Cooperation held in the Egyptian resort of Sharm el-Sheikh on Nov. 8 to 9, which is beneficial to expand Tanzania's export to China.

He also stressed the strengthening of investment cooperation, initiating the negotiation and signing agreements on investment protection and exemption of dual taxation, which will create an advantage to expand China's investment in Tanzania as well as local job opportunities.

Another measure is described as promoting contract projects cooperation for sustainable development, and also the implement of the "eight new measures" to strengthen China-Africa cooperation announced at the fourth ministerial meeting of the Forum on China-Africa Cooperation, as well as enhancing development aid cooperation, according to the senior Chinese official.

Chen expressed China's intention to listen to Tanzanian side's suggestion to work out a practical implement program to the east African country.

For her part, Nagu said that Tanzania-China trade is developing with a high speed in recent years under the framework of the Forum on China-Africa Cooperation, with China becoming Tanzania's third largest trade partners, adding that China's latest measure to expand the sector of Tanzania's exempted tax products to China is helpful to balanced bilateral trade.

Tanzania welcomes more Chinese companies to invest on industries such as manufacturing, expecting to strengthen development aid cooperation with China, according to the Tanzania minister.

Also present at the meeting were Tanzanian Minister of Finance and Economic Affairs Mustapha Mkulo and Minister of Energy and Minerals William Ngeleja among others.

Chen arrived in Tanzania on Thursday evening for a three-day visit after his trip to Turkey, Saudi Arabia, Ethiopia and Mozambique.

- Chinese ministers' visits to Africa aimed at producing win-win results (15th January)

The visits to Africa by three Chinese ministers at the start of 2010 have underscored the importance that China has attached to the traditional China-Africa friendship, which is aimed at creating a win-win situation.

Whether by coincidence or not, Chinese Foreign Minister Yang Jiechi visited Kenya, Nigeria, Sierra Leone, Algeria and Morocco from Jan. 6 to Jan. 12, and Commerce Minister Chen Deming traveled to Ethiopia and Mozambique from Jan. 12 to Jan. 14.

Wang Jiarui, head of the International Department of the Communist Party of China Central Committee, will conduct his six-nation Africa tour from Jan. 15 to Jan. 26.

The visits are aimed at boosting the traditional China-Africa ties in political, economic and other fields.

Since China established diplomatic ties with Egypt, the first African country to do so, in May 1956, China and African nations have firmly supported each other on the international arena, and made fruitful cooperation in economic, trade, cultural and other fields.

The Sino-African ties reached a new high when the Beijing Summit and the Third Ministerial Conference of the Forum on China-Africa Cooperation were held in Beijing in November 2006.

The relations were further advanced after Egypt hosted the forum's fourth ministerial conference in its coastal city of Sharmel-Sheik in November 2008, when Chinese Premier Wen Jiabao unveiled eight new measures to strengthen the China-Africa cooperation in various fields.

Undoubtedly, the China-Africa cooperation is mutually beneficial, which has helped the bilateral ties move forward continuously despite various international changes over past decades.

Through cooperation, China has exported more products to Africa, imported energy resources and raw materials from Africa, established factories and found business opportunities in the African continent. Meanwhile, African countries have obtained investment, advanced technology, jobs and other benefits from China.

Kenyan President Mwai Kibaki, during his meeting with Chinese Foreign Minister Yang on Jan. 6, said the Kenyan and Chinese people have enjoyed profound friendship, and the two countries have maintained very good relations and deepened practical cooperation in various fields.

He said Chinese companies are actively engaged in Kenya's infrastructure construction such as road building, which is beneficial for both Kenya people and Chinese companies.

The China-Kenya cooperation is just an example in the relations between China and other African countries.

The traditional and friendly China-Africa ties unquestionably will continue to advance forward because they are based on mutual respect, understanding, trust and a win-win prospect.

- China steps up African cooperation with ministerial visits (15th January)

A delegation of the Communist Party of China (CPC) Friday began a tour of six African states, following up visits earlier this month by two government ministers.

Led by Wang Jiarui, head of the International Department of the CPC Central Committee, the group will visit the Democratic Republic of Congo, Mali, Senegal, Benin, the Central African Republic, and Djibouti over 12 days.

Chinese Foreign Minister Yang Jiechi visited five African countries -- Kenya, Nigeria, Sierra Leone, Algeria and Morocco -- from Jan. 6 to 12.

Visits to African states at the beginning of the year were traditional for Chinese foreign ministers, intending to show the importance China attached to strengthening friendly cooperation, Yang told reporters.

Chinese Commerce Minister Chen Deming is heading an economic and trade delegation to two Asian nations and three African countries -- Ethiopia, Mozambique and Tanzania -- from Jan. 6 to 17.

Analysts said Chen's Africa tour was aimed at fulfilling China's eight new measures to strengthen pragmatic cooperation in the next three years.

At the fourth ministerial meeting of the Forum on China-Africa Cooperation in the Egyptian resort of Sharm el-Sheikh on Nov. 8 and 9 last year, Chinese Premier Wen Jiabao announced the eight new measures, including the fight against climate change, intensification of technical-scientific cooperation, reinforcement of African financial capacities and increased access of African products to the Chinese market.

Xu Weizhong, an expert on African studies at the China Institute of Contemporary International Relations, said, "The visits to 14 nations in one continent in one month shows China and Africa enjoy dynamic exchanges."

As the biggest developing nation, China regarded relations with other developing countries as the basis of its whole foreign policy.

"Relations with Africa are the basis of the basis," Xu said.

With the global economic downturn, African countries were paying more attention to economic and trade links with China.

"The African people expect to learn from China's development experience and its experience in responding to the international financial crisis," said Dr. Liu Naiya, an African affairs researcher with the Chinese Academy of Social Sciences.

Liu said many African people were also eager to learn from China's experience in agriculture development, especially in planting and processing.

China also needed African nations' political support and the continent's vast market, experts said.

- Chinese premier eyes stronger ties with Germany, welcomes investment (15th January)

Chinese Premier Wen Jiabao on Friday called for stronger ties with Germany and welcomed its investment.

"China and Germany should take a long-term view, enhance mutual trust and deepen cooperation to bring bilateral relationship to a new high," Wen told visiting German Foreign Minister Guido Westerwelle.

Westerwelle, also German Vice Chancellor, is leading a delegation of lawmakers and business executives on a two-day visit to Beijing. It is his first China trip since he took office in October.

Wen said China and Germany had maintained a positive and upward momentum of relations, citing both countries' joint efforts to tackle the global economic downturn and enhanced communication.

Despite global economic downturn, China and Germany maintained strong trade relations as trade volume in 2009 totalled 105.73 billion U.S. dollars, down 8.1 percent from previous year.

With complicated international situation and grim challenges ahead, Wen called on both countries to keep the big picture in mind and push the bilateral partnership.

Westerwelle said his country paid much attention to China relations and would like to deepen bilateral cooperation in politics, economy and other fields and jointly address global issues and challenges.

Wen pledged more dialogue and cooperation with Europe to ensure shared interests of Chinese, Europeans and the world people.

Westerwelle said Germany would make positive efforts to push Europe-China relations.

In a brief address to business executives who accompanied Westerwelle, Wen introduced China's efforts to implement its opening-up and reform policy.

"China will create a more open and favorable environment for investment and encourage foreign businesses to invest in high-end manufacturing, technology, services, new energies and energy efficiency," Wen said.

Wen appealed for more foreign investment in China's central and western regions and vowed to protect the legitimate rights of foreign investors.

"You are welcome to invest and run businesses in China," Wen told the German executives.

Earlier Friday, Chinese Foreign Minister Yang Jiechi held talks with Westerwelle on bilateral relations, Iran nuclear relations and climate change.

Yang attributed the sound ties to mutual support on issues concerning each other's unification, sovereignty and territorial integrity, extensive common interests, mutual respect and equal dialogue.

- Microsoft, HP fail to back Google's China move: FT (15th January)

Google's threat to withdraw from China failed to win support from other top industry executives who said that their enthusiasm for the country was undimmed.

Google announced on Tuesday that it would no longer filter search results in China and said it may be forced to pull out of the world's largest online market of 360 million users. However, Steve Ballmer, chief executive officer of Microsoft, described the affair as "the Google problem" and said: "Every large institution is being hacked. I don't think it's a fundamental change in the security environment on the internet."

He refused to comment on whether Microsoft would now stop censoring results on its Bing search service in China, but said that the software company saw a big business opportunity in China.

Mark Hurd, CEO of Hewlett-Packard, described China as "an amazing market with tremendous growth". Strong demand from Chinese customers was one of the main supports for the US tech industry last year.

Both executives also played down any wider threat to internet security from what Google had described as a "highly sophisticated and targeted attack" that had been aimed at more than 20 other companies. "I'd hate to run off on this one example and say it's a threat to the evolution of the IT industry," Mr Hurd said.

China's Foreign Ministry spokesperson said Thursday that China's Internet is open and welcomes international companies.

- China-Europe relations generally good despite differences: Chinese FM (15th January)

China-EU relations are generally good despite trade frictions stemming from anti-dumping measures, Chinese Foreign Minister Yang Jiechi said Friday.

Yang made the remarks when meeting with press with visiting German Vice Chancellor and Federal Minister for Foreign Affairs Guido Westerwelle in Beijing.

Since 2008, China-EU relations had been marked by trade disputes with anti-dumping measures being at the center, said Yang.

However, relations were generally good, and the Chinese government would continue to attach great importance to the comprehensive strategic partnership with the EU.

Despite some differences, the China-EU summit late last year reached agreements, with the two sides promising to step up efforts to promote trade and investment and increase effective market access.

"China hopes Germany as a major power of Europe will continue to make great efforts to advance China-Europe relations," he said.

Farsighted people should be glad to see China's development, Yang said when commenting on whether Europeans felt "comfortable" with it.

Every country, including China and Germany, should be "confident" with its own development, he said.

"China is confident with its development, but in international relations it treats all countries equally, large or small, developed or developing, and rejects bullying of the weak and small," Yang said.

- China calls for enhanced contacts to resolve Iran nuclear issue (15th January)

China on Friday called for improved contacts in order to achieve a peaceful resolution of the Iran nuclear issue.

Chinese Foreign Minister Yang Jiechi made the remarks at a press briefing after meeting with visiting German Vice Chancellor and Federal Minister for Foreign Affairs Guido Westerwelle in Beijing.

The Iran nuclear issue should be resolved through peaceful diplomatic negotiations, which would be conducive to safeguarding stability in the Middle East, said Yang.

China firmly upheld the international nuclear non-proliferation regime, he said, noting all countries had the right to peaceful use of nuclear energy.

Representatives of major powers are reported to be meeting in New York at the end of this week to discuss Iran's nuclear issues.

The meeting will group senior officials from the five permanent members of the United Nations Security Council -- Britain, China, France, Russia and the United States -- and Germany.

- China, Russia to further enhance political mutual trust: ambassador (15th January)

With more frequent high-level exchanges in 2010, China and Russia will further enhance their political mutual trust, said the Chinese ambassador to Russia on Thursday.

In 2010, China and Russia will fully implement major bilateral projects including oil and gas pipeline construction and stage a series of rich and multiform events within the framework of the Year of Chinese Language in Russia, said Ambassador Li Hui, when paying a visit to the Eurasia regional bureau of Xinhua News Agency headquartered in Moscow.

Eurasian countries are friendly to China and China's vital strategic partners, said the ambassador. China and these countries have made remarkable achievements in pragmatic cooperation on politics, economy and humanities as well as in close collaboration on international affairs in recent years, said Li.

- China to protect legitimate rights of engineers charged by India (14th January)
China's Foreign Ministry Thursday pledged to ensure the rights of three Chinese engineers arrested and charged with culpable homicide on Monday by Indian police would be protected.

The engineers, employed by the Shandong Electric Power Construction Corporation (SEPCO), were charged with homicide in connection with a chimney collapse that killed more than 40 people at an Indian power plant in September, 2009.

Spokeswoman Jiang Yu said the Chinese Foreign Ministry and the Chinese Embassy to India would actively assist the SEPCO in dealing with the prosecution and protect the legitimate rights and interests of the three engineers.

The 1,200-megawatt thermal power plant, owned by Bharat Aluminium Company Ltd (Balco), was being built by SEPCO with the help of local contractors in Korba, about 960 kilometers southeast of New Delhi.

1. Liberian FM to visit China (14th January)
Liberian Minister of Foreign Affairs and Chief Minister of Cabinet Olubanke King Akerele is to pay an official visit to China from Jan. 20-25 at the invitation of her Chinese counterpart Yang Jiechi.

Chinese Foreign Ministry spokesperson Jiang Yu made the announcement at a regular press briefing here Thursday.

- Chinese state councilor to visit Indonesia, Brunei (14 January)

Chinese State Councilor Dai Bingguo will pay an official visit to Indonesia and Brunei from Jan. 21 to 26, Foreign Ministry spokeswoman Jiang Yu said Thursday.

Dai is visiting at the invitation of Indonesian Coordinating Minister for Political, Law and Security Affairs Djoko Suyanto and the Brunei government, Jiang said at a regular press conference.

- China reaffirms its missile interception test defensive (12th January)

China's missile interception test Monday accorded with its defensive military strategy, said Foreign Ministry spokeswoman Jiang Yu on Tuesday.

China conducted a test on ground-based midcourse missile interception technology within its territory on Monday.

"The test was defensive in nature and targeted at no country," said Jiang, adding it was in line with the defensive national defense policy that China had always pursued.

China had always taken the road of peaceful development and its strengthening of national defense construction was for the maintenance of national sovereignty and security, she said.

The test would neither produce space debris in orbit nor pose a threat to the safety of orbiting spacecraft.

A web survey of the Global Times showed that about 98.8 percent voters supported China's self-developed anti-missile system, with only 0.4 percent voting against it.

China has always pursued a defensive military strategy and the development of its missile defense system has not changed but reinforced this national strategy, said Jin Canrong, associate dean with the School of International Studies at Renmin University of China, in an interview with the Global Times.

- China says its Web open, welcomes Int'l companies (14th January)

China's Internet is open and welcomes international companies, a Foreign Ministry spokesperson said Thursday, just two days after Google issued a statement saying it might quit China.

Spokeswoman Jiang Yu told a regular news briefing that China encouraged development of the Internet.

"China's Internet is open," said Jiang. "China has tried creating a favorable environment for Internet," said Jiang while responding to a question on Google's possible retreat.

"China welcomes international Internet companies to conduct business within the country according to law," she said. "China's law prohibits cyber crimes including hacker attacks."

Google's corporate development and chief legal officer, David Drummond, posted a statement on the company's official blog on Tuesday, indicating the possibility that Google may "shut down Google.cn, and potentially our offices in China."

The statement said that its disputes with the government and unidentified attacks targeting Google's services in China forced the company to make the review of "the feasibility of our business operations in China."

Google sent a short statement to Xinhua Wednesday, saying, "We are proud of our achievements in China. Currently we are reviewing the decision and hope for a resolution."

According to the iResearch Consulting Group, the Chinese search engine market reached nearly 7 billion yuan (about 1 billion U.S. dollars) in 2009, and Google took 32.8 percent of the market in the third-quarter while China's home-grown search engine Baidu claimed 63.8 percent.

- U.S. arms sales to Taiwan detrimental to Sino-U.S. relations (11th January)

The U.S. Defense Department announced on January 6 the approval of a plan of Lockheed Martin Corp. to sell Patriot III missiles to Taiwan. Although it was a step to implement the huge-scale arms sales package announced by the George W. Bush administration in October 2008, such a move only about one month after U.S. President Barack Obama's visit to China tarnished the China-U.S. ties.

The U.S. side is fully aware that the Taiwan issue is related to China's sovereignty and territorial integrity, and involves China's core interests and the national sentiment of 1.3 billion Chinese people.

The China-U.S. Joint Statement clearly pointed out that "the fundamental principle of respect for each other's sovereignty and territorial integrity is at the core of the three Sino-U.S. joint communiques which guide China-U.S. relations. Neither side supports any attempt by any force to undermine this principle. The two sides agreed that respecting each other's core interests is extremely important to ensure steady progress in China-U.S. relations."

The words were fixed in history. However, the U.S. arms sales to Taiwan fully justified any suspicion about the United States' sincerity to take concrete actions to "respect each other's core interests."

It is evident that China's cross-Straits relationship has achieved breakthrough and has been oriented onto the track of peaceful development thanks to joint efforts made by the Chinese compatriots across the Taiwan Straits in recent years. To support expanded exchange and cooperation and to wish for peaceful development of the cross-Straits relationship increasingly represent the mainstream of the public opinion in Taiwan and have become the universal consensus among the Chinese people across the Taiwan Straits.

The U.S. government has repeated for several times that the peace across the Taiwan Straits is "in the U.S. interest," saying that it welcomes the peaceful development of the cross-Straits relationship, expects strengthened dialogues and interactions in economic, political and other fields and a more positive and stable relationship across the Taiwan Straits.

Undoubtedly, the U.S. arms sales to Taiwan seriously violated the principles established in the three Sino-U.S. joint communiques and the spirit of the Sino-U.S. Joint Statement, breached the U.S. promise to respect the core interests of China and disobeyed the mainstream wish shared by the people across the Straits.

This move clearly showed the dual character of the United States in dealing with the major issues related to China's core interests, especially at the moment that the cross-Straits relations have embarked on a path of peaceful development.

Profound lessons should be drawn from history. All previous U.S. arms sales to Taiwan have caused great damage to the Sino-U.S. relations and blocked their stable and smooth development.

This time is no exception, since the arms sales to Taiwan are rootless and absolutely harmful, whether from the perspectives of legal, moral and justice principles, or from the perspectives of joint interests of the two countries and the long-term development of their relations.

As influential major states in the world, China and the United States share broad common interests. Therefore, the strengthening of their cooperation is beneficial not only to the two countries, but also to the whole world.

The United States should recognize the serious harm caused by arms sales to Taiwan, scrupulously abide by the principles of the three Sino-U.S. joint communiques, especially those of the "August 17 Communiqué," and immediately stop arms sales to Taiwan, in order to avoid damaging bilateral cooperation in key fields.

- Saudi king meets Chinese minister on economic, trade ties (11th January)
Saudi King Abdullah bin Abdul-Aziz held talks on Sunday with visiting Chinese Commerce Minister Chen Deming on further boosting economic and trade cooperation between the two countries.

The king said Saudi Arabia and China enjoy deep traditional friendship and substantial exchange, and that the strategic friendly relations between the two countries have been consolidated and deepened.

China's economy develops rapidly, and the two countries should further their cooperation in various fields, such as in dealing with the fallout of the global financial crisis, he said.

The king said Riyadh welcomes the Chinese enterprises to actively participate in Saudi economy as the Gulf Arab country is speeding up construction in the petrochemical industry, infrastructure, education and health fields.

Abdullah said that he believes that the Saudi-Sino economic and trade cooperation will have a brighter prospect.

The Chinese minister said Chinese President Hu Jintao last year paid a successful visit to Saudi Arabia, which has vigorously boosted the economic and trade cooperation between the two countries.

As this year marks the 20th anniversary of the establishment of diplomatic ties between China and Saudi Arabia, the Chinese government is expecting to expand the bilateral economic and trade cooperation, in hopes of boosting the bilateral trade volume to 60 billion U.S. dollars by 2015, Chen added.

Chen said the Chinese government appreciates the trust of the Saudi king and the Saudi government in Chinese enterprises, and will work together with the Saudi side to support contract projects and investment cooperation between enterprises of both countries in the electricity, railway and new energy fields.

Also in the day, Chen, together with Saudi Minister of Finance Ibrahim bin Abdel Aziz al-Asaf, convened the fourth meeting of China-Saudi joint committee on economy and trade in the Saudi capital.

Chen arrived in Riyadh on Saturday and will visit Ethiopia, Mozambique and Tanzania later.

- Chinese vice premier pledges to advance co-op with Kyrgyzstan (11th January)
Chinese Vice Premier Zhang Dejiang pledged here Monday that China was ready to enhance comprehensive cooperation with Kyrgyzstan in areas such as economy, trade, transportation and infrastructure.

Zhang made the remarks in a meeting with Maxim Bakiyev, head of Kyrgyzstan's Central Agency for Development, Investment and Innovation.

Speaking highly of the bilateral relations, Zhang said China would always support Kyrgyzstan's efforts for realizing development and safeguarding national independence, state sovereignty and security.

China attached great importance to developing practical cooperation with Kyrgyzstan, said Zhang, noting China was willing to work with Kyrgyzstan to lift the bilateral relationship to a new high.

Bakiyev said Kyrgyzstan was ready to reinforce exchanges and cooperation with China, work together with China to maintain regional peace and stability, and push forward bilateral friendship of cooperation.

The agency, newly founded in the second half of last year, was reported to play a crucial role in setting Kyrgyzstan's economic strategy.

It is Bakiyev's first visit to China since he took office. During the four-day tour, he was scheduled to visit the Chinese ministries of railways and commerce.

Zhang also expressed China's gratitude for Kyrgyzstan's support on issues concerning China's core interests, including Taiwan issue and Tibet-related issues, and fighting "East Turkistan" forces.

Kyrgyzstan is now China's third largest trade partner within the Commonwealth of Independent States, only after Russia and Kazakhstan.

- Chinese vice president vows to boost ties with Japan (11th January)
Chinese Vice President Xi Jinping pledged here Monday to bolster cooperation between Chinese and Japanese provinces and cities in a bid to further bilateral ties.

Xi hailed the current development of Chinese-Japanese ties during a one-hour meeting with Japan's Shizuoka Prefecture Governor Heita Kawakatsu and his predecessor Yoshinobu Ishikawa in the Great Hall of the People in downtown Beijing.

China and Japan were pushing forward the strategic and mutually beneficial relations in an all-round way, said Xi, who visited Japan last December.

China attached great importance to its relations with Japan and would work along with Japan to enhance political mutual trust and deepen mutually beneficial cooperation in various fields, he said.

Heita Kawakatsu applauded the friendly ties and cooperation between Shizuoka, where the Fuji Mountain is located, and China's Zhejiang Province. Shizuoka and Zhejiang forged friendly ties in 1982.

He also promised to organize more than 3,000 Shizuoka residents to visit the upcoming World Expo 2010 in Shanghai in April.

- China's top legislator pledges parliamentary exchanges with Thailand (11th January)

China's top legislator Wu Bangguo met here Monday with President of the Thai National Assembly Chai Chidchob, pledging to further advance parliamentary exchanges between the two countries.

China and Thailand have seen stable and healthy development of bilateral ties in the past years in the spirit of mutual respect and trust, non-interference with internal affairs, and addressing each other's core interests, said Wu, chairman of the Standing Committee of the National People's Congress, China's top legislature.

China regards Thailand as its close friend and trustable partner and will work with Thailand to lift bilateral ties to a new level, said Wu.

Chai, also Speaker of the Thai House of Representatives or the Lower House, pays an official goodwill visit to China from Jan. 9 to Jan. 16, the first such visit since he assumed office in May, 2008.

Chai expressed his hope that the parliaments of the two countries could learn from each other on such issues as legislature and supervision in a bid to facilitate Thailand-China ties.

- Chinese FM talks with British counterpart on bilateral ties via phone (11th January)

Chinese FM talks with British counterpart on bilateral ties via phone

ALGIERS, Jan. 11 (Xinhua) -- Chinese Foreign Minister Yang Jiechi Monday held a telephone conversation with British Foreign Secretary David Miliband, exchanging views on promoting bilateral ties.

Both sides agreed to make joint efforts to promote healthy and stable development of the two countries' relations and boost cooperation on the basis of mutual respect, equality and mutual benefit.

The two top diplomats also exchanged views over Afghanistan and Iran nuclear issues.

Yang is currently in Algeria on a two-day visit. Enditem

Economic front

- China's forex reserves near \$2.4 trln (16th January)

China's foreign exchange reserves almost hit 2.4 trillion U.S. dollars by the end of 2009, up 23.28 percent year on year, the People's Bank of China, the central bank, announced on Friday.

- China sets threshold for individuals to trade index futures (16th January)

Any individual who wants to trade stock index futures must have 500,000 yuan (73,206 U.S. dollars) in minimum to open an account, said the Shanghai-based China Financial Futures Exchange (CFFE) on Friday.

Besides funds, an individual investor must pass an exam and has certain records on futures trade to participate in the investment, a CFFE spokesman said.

The Chinese Securities Regulatory Commission also issued draft regulations on requirements for stocks index futures investors Friday to solicit public opinions.

Compared with stocks and bonds, stock index futures are of higher risks and thus dealers must have enough special knowledge, funds and capacities to stand risks, said a spokesperson for the commission.

The regulations aimed to protect investors, especially small ones, the spokesperson said. China's securities regulator on Jan. 12 approved the CFFE to undertake stock index futures trade.

The State Council on Jan. 8 approved "in principle" the launch of stock index futures.

Stock index futures are an agreement to buy or sell an index at a preset value on an agreed date. Index futures would give investors a mechanism to profit from declines in stock prices, allowing them to hedge risks and helping ease fluctuations in the market.

- Chinese banks report lower bad loans in 2009 (16th January)

Chinese commercial banks saw their bad loan ratio declined to 1.58 percent by the end 2009, China Banking Regulatory Commission said on Friday.

The figure was down 0.84 percentage points from the beginning of 2009, according to the commission.

The bad loans stood at 497.33 billion yuan (72.82 billion U.S. dollars), down 62.98 billion yuan from the beginning of 2009.

- BOC gets ready for opening Taiwan branch: spokeswoman (16th January)

The Bank of China (BOC), the country's largest foreign exchange lender, said it had already completed the preparatory work for establishing its Taiwan branch, according to a statement on the bank's website.

The bank will submit the application documents as soon as detailed regulations regarding a financial cooperation agreement between the mainland and Taiwan come out, said BOC spokeswoman Zhao Rong on Friday.

A memorandum of understanding (MOU) signed by the financial regulatory authorities of mainland and Taiwan last November will take effect on Saturday, paving the way for financial cooperation between banks on both sides of the Taiwan Strait, she added.

BOC hopes to be in the first batch of mainland lenders to operate in Taiwan. Its new branch will probably be located in Xinyi District, Taipei. with an initial management team of 20 to 30 staff, said the statement.

- MOU on financial supervision between mainland, Taiwan takes effect (16th January)

A memorandum of understanding (MOU) signed by the financial regulatory authorities of the Chinese mainland and Taiwan took effect on Saturday, paving the way for financial cooperation across the Taiwan Strait.

The MOU focuses on supervisory cooperation in fields of banking, securities, futures and insurance. It provides for thresholds and preferential policies for both sides to enter each other's market.

The MOU is expected to bring about new bank branches, stake subscription and acquisition chances for the two sides' investors in each other's market.

Following the MOU, seven Taiwan bank offices in the mainland can be upgraded as branches. They have operated in the mainland for more than two years.

Many mainland banks also expressed wishes to open branches in Taiwan, including the Bank of China (BOC), Industrial and Commercial Bank of China, China Construction Bank and China Merchants Bank, according to the Taiwan authorities.

Zhao Rong, the BOC spokeswoman, said the bank had already completed the preparatory work for establishing its Taiwan branch.

The bank would submit its application documents as soon as detailed regulations regarding financial cooperation between the mainland and Taiwan come out, Zhao said.

The Taiwan authorities also relaxed requirements for mainlanders to invest in Taiwan's stock market.

And for the initial stage, the aggregate ceiling capital for investments into Taiwan stock market by mainland's qualified domestic institutional investors (QDII) should not exceed 500 million U.S. dollars, said the Taiwan authorities on Friday.

- China discovers 5-bltn-tonne iron deposits in 2009 (16th January)

China discovered nearly 5 billion tonnes of iron ore deposits in 2009, chief engineer with the Ministry of Land and Resources (MLR) said Friday.

The deposits were discovered in provinces including northeastern Liaoning, northern Hebei, eastern Shandong and Anhui, and southwestern Sichuan, said Zhang Hongtao, MLR chief engineer.

The total discovered deposits included an iron ore deposit with an estimated reserve of more than 3 billion tonnes in northeast China's Liaoning Province and 1 billion tonnes of verified iron deposits in Hebei, said Zhang.

He said the 1 billion tonnes of verified reserves in Hebei was easy to mine with their shallow depth.

The reserves in Hebei have been put under a national construction plan and would become an important iron ore source to China's iron industry once put into production, Zhang said.

- China plays down "largest exporter" speculation (15th January)

A Chinese Ministry of Commerce spokesman Friday played down suggestions that China is set to overtake Germany as the world's largest exporter.

"Some key data on Germany's trade have yet to be released. Coupled with other factors, such as exchange rates, it's still early to say China will become the world's biggest exporter," Yao Jian said at a regular news briefing.

China had a different trade structure from Germany as its exports were mainly labor-intensive goods, which suffered less from the economic downturn, Yao said.

Machine products were an important constituent of Germany's exports. Though the downturn dampened demand for them last year, with the global economy picking up, orders were likely to rise, Yao said.

He said China should raise the added value of its exports, and strengthen innovation and branding to establish itself as a strong trade power.

On Sunday, figures released by the General Administration of Customs (GAC) showed China's total exports in 2009 stood at 1.2 trillion U.S. dollars, down 16 percent from 2008.

Germany, which had been since 2002 holding the title as the world's largest exporter by value, is yet to reveal its 2009 figures.

But the BGA, the Federation of German Wholesale and Foreign Trade, has forecast Germany's exports in 2009 might fall 18 percent to 816 billion euros (1.18 trillion U.S. dollars).

- China's SOE watchdog pushes for value creation mindset (15th January)

China's large state-owned companies with high sales and substantial assets may no longer be deemed "successful" under new government performance measurements.

Huang Shuhe, vice chairman of the State-owned Assets Supervision and Administration Commission (SASAC), has announced the SASAC this year will use the economic value added (EVA) measure to assess the performance of the 129 state-owned enterprises affiliated to the central government.

Developed by the U.S.- based consultancy firm Stern Stewart & Co., the measurement tool has been applied widely among top-tier transnational firms, including Coca-Cola, Temasek, Pemex and others.

EVA refers to the residual income of firms after subtracting costs on all capital employed in the business, debt and equity, from their net operating profit after tax (NOPAT), Erik Stern, Stern Stewart president international, told Xinhua in an exclusive interview.

"It considers not only the actual cost of capital, but also its opportunity cost, in other words the expected returns that could have been achieved with the capital if it had been invested in a similar investment," said Stern.

If a company's NOPAT is 5 million yuan with 100 million yuan capital employed, the profitability is 5 percent. But if the average industry cost of capital ratio is 6 percent, that translates into a negative EVA of 1 million yuan, meaning the firm failed to deliver optimum value for shareholders.

ENDING EMPIRES

Experts hold that a firm's profitability measures only its profit-making capabilities, while EVA measures its profit-making capabilities compared with its peers, a more scientific and tougher standard.

"Previously, we viewed the large and high-profit-generating firms as good ones. The concept has changed now. Profitable enterprises don't necessarily mean that they have created enough value for shareholders," said Liu Nanchang, head of the Bureau of General Affairs of the SASAC.

Analysts hold that some Chinese firms think that they are "too big to fall" and prefer to "build empires." EVA would make corporate executives more responsible for the capital they are employing, as their investments must beat the cost of capital to deliver positive EVA.

According to the new version of the central SOE performance assessment document to be rolled out soon, EVA will replace return on net assets. It will account for 40 percent of the criteria governing SOE executive performance. The remaining 60 percent will target profits and other industry-tailored metrics.

- China reports record 9.59 trln yuan in loans in 2009 (15th January)

China's new yuan-denominated lending last year hit a record 9.59 trillion yuan (1.4 trillion U.S. dollars), almost double that of the previous year, the People's Bank of China (PBOC), the central bank, announced Friday.

The figure compared with the 5-trillion-yuan annual target the government set at the beginning of 2009.

New yuan-denominated lending in December rose to 379.8 billion yuan from November's 294.8 billion yuan and 253 billion yuan in October, the central bank said.

At the end of December, outstanding loans by financial institutions stood at 39.97 trillion yuan, up 31.74 percent year on year, according to the PBOC.

The broad measure of money supply, M2, which covers cash in circulation and all deposits, rose 27.68 percent from a year earlier as of the end of December, 9.86 percentage points higher from that at the end of 2008.

The narrow measure of money supply, M1 (cash in circulation plus current corporate deposits), was up 32.35 percent to 22 trillion yuan.

Renminbi deposits in 2009 were up by 13.13 trillion yuan, a rise of 5.44 trillion yuan year.

- China's new loans rise to 379.8 bln yuan in December (15th January)

China's new yuan-denominated lending in December rose to 379.8 billion yuan (55.6 billion U.S. dollars) from November's 294.8 billion yuan, the People's Bank of China, the central bank, said Friday.

China's annual tax revenue up 9% to \$928 bln (15th January)

-- China's tax revenue reported an annual increase of 9.1 percent to 6.31 trillion yuan (928 billion U.S. dollars) last year, said a statement posted Friday on the website of the State Administration of Taxation.

Tax revenue excludes tariffs, tonnage dues, farmland use tax and contract tax, said the statement.

Domestic retail sales tax revenues jumped 85.4 percent to 476.1 billion yuan, boosted by measures adopted by the central government to increase the economy's dependence on domestic consumption.

China's auto purchase tax saw a surge of 17.6 percent to 116.4 billion yuan, with 13.64 million cars sold nationwide, up 46.15 percent year on year, putting China ahead of the United States as the world's top auto maker and market.

The value-added tax on producer products rose to 1.88 trillion yuan, up 3.8 percent year on year, accounting for the biggest proportion of tax revenue.

However, the stamp tax of stock transactions dropped 47.9 percent to 51.4 billion yuan, said the statement.

- Chinese shares rise for 2nd day on property developer, financial stock gains (15th January)

Chinese equities edged up on Friday, rising for the second day, led by real estate developers and financial stocks.

The benchmark Shanghai Composite Index rose 0.27 percent, or 8.6 points, to close at 3,224.15 points.

The Shenzhen Component Index gained 0.46 percent, or 60.18 points, to close at 13,264.37 points.

Combined turnover totaled 258.9 billion yuan (37.9 billion U.S. dollars), shrinking from 287.01 billion yuan on the previous trading day.

Gainers outnumbered losers by 541 to 310 in Shanghai and 494 to 307 in Shenzhen.

- China's Ministry of Commerce: No report from Google yet (15th January)
China's Ministry of Commerce (MOC) spokesman Yao Jian said Friday that the ministry had received no indications from Google that the company will leave China.

"So far, the MOC and Beijing Municipal Commission of Commerce have received no reports that Google would withdraw investment from China, or withdraw from the Chinese market," Yao told a regular press conference.

He said China's investment environment had gradually improved since the implementation of the reform and opening-up policy. China would continue to provide a sound investment environment for overseas investors.

Foreign businesses, including Google, should also respect laws and regulations, the public interest, traditional culture, and policies of their host countries, Yao said.

Yao made the remarks after Google's corporate development and chief legal officer, David Drummond, posted a statement on the company's official blog on Tuesday, indicating the possibility that Google may "shut down Google.cn, and potentially our offices in China."

The statement said its disputes with the government and unidentified attacks targeting Google's services in China forced the company to make the review of "the feasibility of our business operations in China."

"Foreign investors should have confidence in China's market as China has the world's biggest Internet population," said Yao. "Any decision by Google to withdraw from China will not affect Sino-U.S. trade relations."

- China's FDI up for fifth consecutive month in December (15th December)
The amount of foreign direct investment (FDI) into China rose for the fifth consecutive month in December, up 103 percent year on year to 12.1 billion U.S. dollars, said Yao Jian, spokesman of the Ministry of Commerce on Friday.

This brought the country's FDI to 90.03 billion U.S. dollars in 2009, down 2.6 percent from that in 2008.

The government approved the establishment of 23,435 overseas-funded ventures in 2009, down 14.8 percent from a year earlier. In December alone, China approved 2,835 such companies, representing a year-on-year increase of 10.7 percent.

Yao said the 2009 FDI was mainly directed into manufacturing, despite a decrease of 6.26 percent year on year. This sector attracted 46.77 billion U.S. dollars FDI in 2009, accounting for 51.95 percent of the total FDI.

The service sector attracted 37.87 billion U.S. dollars, down 0.67 percent from that in 2008, and accounting for 42.06 percent of the total.

Actual use of the FDI in the real estate sector stood at 16.8 billion U.S. dollars in 2009, a decrease of 9.65 percent annually.

In 2009, China's non-financial investment in overseas markets was 43.3 billion U.S. dollars, up 6.5 percent year on year.

Of the total investment in overseas markets, 40.4 percent or 17.5 billion U.S. dollars was used in mergers and acquisition, technology introduction, marketing, and energy and resources, said Yao.

- CNGG seeks more mines overseas (15th January)

China National Gold Group Corp (CNGG), the country's second largest gold producer, will transfer several gold mines as assets to its Canadian subsidiary Jinshan Gold Mines this year and acquire more mining assets abroad through Jinshan, the China Daily reported Thursday.

The company was in talks to buy several gold mines overseas, but declined to give details, the newspaper quoted Song Xin, vice-president of CNGG, as saying.

"Our target investment destinations include neighbors such as Russia and Mongolia, as well as North America, Australia and Africa," said Song. "Jinshan will serve as an overseas investment platform, because as a company listed on the Toronto stock exchange, it has easier access to foreign investors and mining assets."

CNGG prefers low risk and mature projects in terms of foreign investment. "We are only interested in operating mines, and will not get involved in grassroots risk exploration projects," the newspaper quoted Wu Zhanming, capital operation manager at the group, as saying.

CNGG added 92.4 tons of new resources to its 1,200 tons of gold reserves in 2009, entrenching its position as the country's largest gold reserves holder. It produced 123.19 tons of gold in 2009, up 37 percent from 2008, according to the newspaper.

- China sees fastest housing price rise in 18 months (15th January)

China's property prices rose at the fastest pace in 18 months in December, ending the year with rising fears of bubbles in the property market.

Housing prices in China's 70 large and medium-sized cities rose 7.8 percent in December 2009 from a year earlier, and were up 1.5 percent compared to the previous month, said the National Bureau of Statistics (NBS) on Thursday.

The property price increase stood at 5.7 percent in November year-on-year, accelerating from the 3.9 percent in October.

"The growth is within expectation due to the low base of the property prices in December of 2008 amid the ongoing global economic downturn", said Hao Daming, an economist with the China Galaxy Securities.

The country's property market was depressed by the global economic downturn at the end of 2008, with property prices in the 70 major cities down 0.4 percent year on year in December and down 0.5 percent from the previous month.

The hike was also a result purchase rush in the fourth quarter on expectations of tightening policies, he said.

Prices of second-hand homes rose 6.8 percent in December from a year earlier and 1.0 percent from a year ago, according to the NBS. Prices of new houses in December rose 9.1 percent from the same month last year, and were up 1.9 percent from November.

The climbing property prices, driven up by record high bank lending, favorable policies and speculation, has become a headache for Chinese residents and also stirred up concerns of a property bubble.

Chinese Premier Wen Jiabao said in December that housing prices in some cities were rising too fast, which drew "great attention" of the central government. Wen pledged to cool property prices with tools of taxes, interest rates and land policies.

Since December the government has made a series of moves to cool the market, including reimposing a sales tax on homes sold within five years of their purchase from this year and increasing the down payment requirement for land purchases to at least 50 percent of the total price.

The latest one came from the State Council which issued guidelines over the weekend that strictly required the down payment at no less than 40 percent for those applying to buy a second or more houses backed with loans.

The government also renewed its pledge on Wednesday to stabilize home prices by providing more affordable housing and cracking down on speculation.

The People's Bank of China, the central bank, announced on Tuesday to raise the deposit reserve requirement ratio by 0.5 percentage points from Jan. 18 this year, aiming at pace lending.

"This move would not have a major impact on the property market as property developers have already earned enough money from their surging sales this year", Hao said.

China Vanke, the country's largest real estate developer by market value, said earlier this month that its sales jumped 32.5 percent to 63.42 billion yuan (9.29 billion U.S. dollars) in 2009.

"Given the demand-supply gap is still evident, the growing trend in prices would likely continue in the first half of this year," he added.

Chinese Academy of Social Sciences, a think tank, said in a report in November that housing prices in China would keep rising in 2010, helped by a renewed surge in bank lending.

The traditional rush by banks to lend at the start of the year would be on full display in early 2010, with monetary policy still relatively loose, it said.

"The property market may ebb slightly and stabilize in the second half of 2010 after China moves to tighten monetary policy," the report said.

Yang Hongxu, an expert from the E-house China Research and Development Institute, said the month-on-month growth of prices in January would narrow from December because of slowed sales on seasonal factors and policies introduced.

The prices would still record a fast year-on-year growth as housing prices in the first quarter of 2009 fell.

Yang expected more adjustments in the property market to come through this year on policies targeting the market.

"The most important thing the government can do to stabilize property prices is to increase supply of affordable housing", Hao said.

- China's top securities regulator ironing out nitty-gritties (15th January)

China will soon clarify the rules and regulations on qualified foreign institutional investors (QFIIs) trading stock index futures in China, the China Daily reported Friday.

"The regulator will work on the policies and regulations on securities companies, mutual funds and QFIIs ... in order to guarantee the smooth launch of index futures," the newspaper quoted Shang Fulin, chairman of China Securities Regulatory Commission (CSRC) as saying at a national conference on securities and futures supervision that ended Thursday.

CSRC will also enhance supervision on securities firms that provide brokerage services for index futures trading and improve the country's cross-market supervision regime, the newspaper quoted Shang as saying.

Foreign institutions may be allowed to trade index futures using a portion of their QFII quota, but details on trading requirements are still unknown, said the newspaper.

At the conference Shang also said that the regulator would introduce margin trading and short selling pilot programs at the appropriate time, according to the newspaper.

- Chinese shares open higher Friday (15th January)

Chinese shares opened higher Friday with the benchmark Shanghai Composite Index edged up 0.05 percent to open at 3,217.19 points.

The Shenzhen Component Index gained 0.33 percent to open at 13,247.65 points.

Shang Fulin, Chairman of the China Securities Regulatory Commission said Thursday at a meeting that China would launch margin trading at a "proper time", continue reform on its new share issuance system and step up development of ChiNext.

- Chinese shares tumble 3% on higher reserve ratio (13th January)

Chinese equities saw their sharpest dip in seven weeks on Wednesday after the central bank asked lenders to set aside more reserves as record bank lending last year ignited fears of inflation and asset bubbles.

The benchmark Shanghai Composite Index went down 3.09 percent, or 101.31 points, to close at 3,172.66 points.

The Shenzhen Component Index lost 2.73 percent, or 364.69 points, to close at 13,016.56 points.

Combined turnover expanded to 322.79 billion yuan (47.69 billion U.S. dollars) from 294.3 billion yuan on the previous trading day.

The People's Bank of China announced on Tuesday evening to lift deposit reserve requirement ratio by 0.5 percentage points from Jan. 18, the first such move since June 2008, which aimed to prevent possible inflation and the recurrence of lending surge.

Banks led the fall as investors worried about liquidity drain. Industrial and Commercial Bank of China (ICBC), the country's largest commercial bank, sank 5 percent to 5.09 yuan. Bank of China fell 4.17 percent to 4.14 yuan.

A higher reserve ratio would help soak up excess liquidity in the banking sector, but capital would remain abundant in the market, said Wang Xiaoguang, analyst with the National Academy of Governance, a government think-tank.

He said the new policy would stir up volatility in the capital market in the short-term, but the long-term prospects would remain positive as the real economy would keep growing.

Chinese lenders extended a record 9.21 trillion yuan of loans in the first 11 months of last year, 5.06 trillion yuan more than the corresponding period of 2008 and far exceeding the government target of 5 trillion yuan for the whole of 2009.

Realty firms dropped as the government reaffirmed its crackdown on property speculation and pledged 6 million new affordable homes this year.

China Vanke Co., the country's largest property developer by market value, fell 2.43 percent to 10.04 yuan. Poly Real Estate Group Co., the country's second largest developer, dipped 4.13 percent to 20.43 yuan.

- First Cross-Strait Economic and Trade Forum opens (13th January)

Yok Mu-ming, chairman of the Taiwan-based New Party, addresses the opening ceremony of the First Cross-Strait Economic and Trade Forum in Yabuli, in Harbin, capital of northeast China's Heilongjiang Province, Jan. 13, 2010.

- China to raise deposit reserve requirement ratio by 0.5 percentage points (12th January)

The People's Bank of China (PBOC), the central bank, announced on Tuesday to raise the deposit reserve requirement ratio by 0.5 percentage points from Jan. 18 this year.

The ratio at small financial institutions such as the rural credit cooperatives would remain unchanged to support the agriculture sector, the PBOC said in a statement.

This is the first time that the PBOC adjusted the ratio of deposit that lenders are required to set aside since the end of 2008 and the first increase for the ratio since June of 2008.

The PBOC has cut the bank reserve requirement ratio for four times in the second half of 2008 to stimulate growth as the global financial crisis started to weigh on the economy.

- Chinese vice premier stresses positive fiscal policies (12th January)

Chinese Vice Premier Li Keqiang stressed that China would continue to implement positive fiscal policies and improve fiscal and tax systems for scientific development.

More efforts should be made to expand domestic demand, improve people's livelihood and promote the change of economic growth pattern, said Li at a national fiscal work meeting in Beijing on Monday.

China had taken active fiscal measures in the past year to cope with impacts from the global financial crisis and the measures had been proven effective and helped promote economic restructuring and boost reforms in key fields, Li said.

Faced with most complicated economic situation this year, China should ensure the continuity and stability of macro-economic policies and balance the relations of stable and relatively fast economic growth, economic restructuring and managing inflationary expectations, Li said.

Expanding domestic demand should be made the main point of positive fiscal policies and the fiscal expenditure structure should be optimized to prevent potential risks, Li said.

To ensure and improve people's life was the ultimate goal for economic growth and more efforts should be made to improve social security net, Li said.

- China's economic growth to hit 9 pct this year: Deutsche Bank (11th January)

China's economic growth would hit 9 percent in 2010 with exports making bigger contribution to it, a senior economist said here Monday.

Ma Jun, Deutsche Bank Greater China chief economist, said at an investment forum that exports would play a bigger role in boosting China's economic expansion in 2010.

"Investment's contribution to China's economic growth is expected to drop from 80 percent in 2009 to 50 percent this year, and domestic consumption will likely remain stable," he said.

Ma's estimate of China's economic growth was the same as what the Chinese Academy of Social Sciences, the government's think tank, predicted in December, and higher than the World Bank's estimate of 8.7 percent.

China's gross domestic product (GDP) expanded 8.9 percent in the third quarter in 2009, accelerating from 7.9 percent in the second quarter and 6.1 percent in the first, fueled by the growing domestic consumption and the government's economic stimulus package rolled out since November 2008.

Ma also said inflation and asset bubbles were the main challenges facing the country this year.

- Official data confirm China as world's biggest auto producer, consumer (11th January)

Official figures Monday confirmed China had overtaken the United States to become the world's top auto maker and market in 2009, boosted by government stimulus measures.

The China Association of Automobile Manufacturers (CAAM) announced annual sales rose 46.15 percent year on year to 13.64 million units . Output increased 48.3 percent to 13.79 million units.

Passenger car sales were up 52.93 percent to 10.33 million units, and production was 10.38 million units, up 54.11 percent year on year.

The three top-selling brands last year were Shanghai Volkswagen, FAW Volkswagen and Shanghai General Motors -- all joint venture brands between Chinese auto makers and the German or U.S. counterparts.

China's market still enjoyed abundant potential, as living standards improved and the average auto ownership remained low, Dong Yang, CAAM deputy chairman told Xinhua. The industry would continue to see rapid growth in the next decade as it had become a pillar of the national economy, he said.

To spur the use of clean and fuel-efficient cars, the government announced in January last year that it would halve the purchase tax to 5 percent on vehicles with a displacement of less than 1.6 liters.

Rural consumers got up to 5,000 yuan (735 U.S. dollars) in government subsidies for vehicles with a displacement under 1.3 liters. Enditem

- China's 2009 foreign trade falls 13.9% to \$2.21 trln with surplus at \$196.1 bln (10th January)

China's foreign trade in 2009 dropped 13.9 percent from a year earlier to 2.21 trillion U.S. dollars and its trade surplus last year slid 34.2 percent year on year to 196.1 billion U.S. dollars, according to figures released Sunday by the General Administration of Customs (GAC).

In breakdown, China's exports in 2009 stood at 1.2 trillion U.S. dollars, down 16 percent from in 2008, and imports reached 1.01 trillion U.S. dollars, down 11.2 percent from a year earlier, said the GAC.

In December 2009, monthly trade amounted to 243 billion U.S. dollars, which represented a year-on-year increase of 32.7 percent and a month-to-month rise of 16.7 percent.

Last month, China's exports were worth 130.7 billion U.S. dollars, up 17.7 percent from a year earlier. December's imports hit record monthly high to reach 112.3 billion U.S. dollars, up 55.9 percent from the same period of 2008, according to the GAC.

- China might become top world exporter, but weakness remains (10th January)

China will probably overtake Germany to become the world's largest exporter though its exports in 2009 had fallen 16 percent from a year earlier, according to figures released Sunday by the General Administration of Customs (GAC).

But Chinese experts and officials said the country was far from being a real trade power if measured by exports structure, technological innovation and industry competitiveness.

GAC figures showed China's monthly exports in December 2009 were worth 130.7 billion U.S. dollars, up 17.7 percent from a year earlier. It was the first rise since November 2008, when the country's exports contracted 2.2 percent year on year after sluggish overseas demand crippled China's export engine.

In total, GAC figures showed that China's exports in 2009 stood at 1.2 trillion U.S. dollars, down 16 percent from 2008.

Germany, which had been since 2002 holding the title as the world's largest exporter, didn't unveil its export value in 2009 yet.

But BGA, the Federation of German Wholesale and Foreign Trade, had forecast that Germany's exports in 2009 might fall 18 percent to 816 billion euros (about 1.18 trillion U.S. dollars).

"The prospect that China will overtake Germany to become top global exporter only means that China has indeed become a large trading country in terms of exporting scale," said Zhao Jinping, a researcher with the Development Research Center of the State Council (cabinet).

"But in terms of the structure of exports, technological innovation and industry competitiveness, China is far from being eligible for the title of 'trade power'," he told Xinhua.

According to Zhao, China's exports had changed from labor-intensive products in the 1990s to current technology-intensive products, and electrical and electronic products as well as high-tech products have become a most important part of China's exports.

But China's technology-intensive exports fell in the category of processing and assembling trade. About 83 percent of its high-tech exports and 75 percent of electronic exports were made by foreign-funded enterprises, Zhao said.

He said German enterprises put more emphasis on technology, branding, quality and services, which generated higher added-value.

Zhao said a full recovery of China's trade might take another several years. China should promote exports of high value-added products through branding and technological innovation, he added.

Zhong Shan, vice minister of commerce, agreed that China was not a strong trade power. "China should adjust the product structure and transform its growth pattern," he said.

In December 2009, China's imports hit record monthly high to reach 112.3 billion U.S. dollars, up 55.9 percent from the same period of 2008, according to the GAC.

The Fujian-based Industrial Securities said in a research note Sunday that the jump of December's imports resulted from strong domestic demand for commodities and mechanical equipment that were necessary in construction of infrastructure projects and property.

Imports of raw materials that were used in manufacturing trade also rose significantly, it said.

According to the GAC, China's imports of iron ore in 2009 rose 41.6 percent from a year earlier to 630 million tonnes, at an average price of 79.9 U.S. dollars per tonne.

In 2009, the economy imported 200 million tonnes of crude oil, up 13.9 percent from 2008, at an average price of 438 U.S. dollars per tonne.

The country's imports in 2009 stood at 1.01 trillion U.S. dollars, down 11.2 percent from a year earlier, said the GAC.

In December 2009, China's foreign trade amounted to 243 billion U.S. dollars, which represented a year-on-year increase of 32.7 percent and a month-to-month rise of 16.7 percent.

In total, China's foreign trade in 2009 dropped 13.9 percent from a year earlier to 2.21 trillion U.S. dollars and its trade surplus last year slid 34.2 percent year on year to 196.1 billion U.S. dollars.

According to the GAC, the European Union (EU) continued to be China's biggest trading partner in 2009, with two-way trade totaling 364.1 billion U.S. dollars, down 14.5 percent from a year earlier.

Trade between China and the United States, the country's second biggest trade partner, fell 10.6 percent to 298.3 billion U.S. dollars.

Japan remained China's No. 3 trade partner with bilateral trade totaling 228.9 billion U.S. dollars, down 14.2 percent from 2008, according to the GAC.

- China rolls out fresh measures for property market amid rising house prices (10th January)

The General Office of the State Council, China's cabinet, Sunday issued a notice that required central governmental departments and local governments to strengthen management, stabilize market expectations and facilitate stable and sound development of the real estate market.

"With the recovery of the real estate market, such problems as excessively rising house prices have recently emerged in some cities, which call for great attention," said the notice.

It listed 11 specific measures which should be taken in five aspects -- increasing supply of low-cost houses for low-income families and common residential houses, encouraging reasonable house buying while restraining purchases for speculation and investment, strengthening real estate project loan risk management and market supervision, speeding

up construction of housing projects for low-income households, and specifying responsibilities of local governments.

On increasing supply of low-cost houses for low-income families and increasing supply of common residential houses, the notice said efforts should be made to construct more smaller-sized low- and medium-pricing apartments while increasing land supply for residential housing projects.

According to the notice, governments at all levels should act to push property developers to quicken project development and sales of finished projects.

The notice also said cities nationwide, especially those with high house prices and excessively rising house prices, should step up efforts to build more affordable or low-rent housing projects for low and medium income families.

To increase land supply for residential housing projects, the notice required city governments nationwide to lay out as soon as possible the residential housing construction plan for 2010-2012, which should be specific on each year's construction scale of smaller-sized low- and medium-pricing houses, low-rent houses and affordable houses for low and medium income families.

On encouraging reasonable house buying while restraining purchases for speculation and investment, the notice said financial institutions should continue encouraging first-time ordinary home buying while strictly carrying out mortgage loan policies on second-time home purchasing.

It said the down payment requirement for those families applying to buy a second or more houses backed with loans should be no less than 40 percent, and the mortgage rates should be strictly settled on the basis of loan risks.

On strengthening property project loan risk management and market supervision, the notice said financial institutions should not grant loans to any developers failing to meet the minimum amount of capital needed to jumpstart a new commercial property.

It also asked the People's Bank of China and the China Banking Regulatory Commission to enhance supervision on property credit among commercial financial institutions.

Efforts should also be made to strengthen monitoring of capital flow and trans-boundary investment and financing activities so as to prevent credit from entering the real estate sector illegally and stop overseas speculative funds from jeopardizing China's property market, it said.

The notice also asked the Ministry of Housing and Urban-Rural Development and other departments to take more measures to crack down on property developers that hoarded land or houses for more profits, and on real estate brokerage which conducted price deception or spread rumors to jack up house prices.

The taxation authority should thoroughly investigate tax fraud cases by property developers and severely punish those violators, while the State-owned Assets Supervision and Administration Commission should further regulate investment activities by major state-owned enterprises in the property market, according to the notice.

On speeding up construction of residential housing projects for low-income households, the notice said governments at all levels should strive to help solve the housing problem of 15.4 million low-income urban households by the end of 2012.

It urged local governments to make more efforts on the renovation of "shanty towns" and increase low-rent houses and affordable houses to low-income families.

On the fifth and final aspect, the notice said more work needed to be done to improve the working mechanism in which provincial governments should assume general responsibility in stabilizing property market and solving the housing problem for low-income families while city-level governments should take the responsibility of implementing specific measures.

Local governments should annul any rules in the property market that were in conflict with the macro-control policies adopted by the central government, it said.

The lengthy notice came after house prices in 70 large and medium-sized Chinese cities rose 5.7 percent year-on-year in November 2009, continuing an escalation which has triggered fresh concerns over property speculation and property bubble in the country.

The November rise, which was 1.8 percentage points higher than the jump in October, was the ninth straight monthly increase of house prices in the survey of real estate across major Chinese cities.

China's property market received a blow and began to fall in late 2008 after the global financial crisis crippled China's once-essential exports and the economy as a whole.

But a series of favorable measures, a credit boom and speculative investment in 2009 had led to a quick recovery of China's property market and price hikes, which started around March 2009.

Statistics from Goldman Sachs showed that over the past six years, housing price hikes had outpaced income rises by 30 percentage points in Shanghai and 80 percentage points in Beijing.

In Beijing, the housing price of per square meter is as much as a resident's seven months' salary on average.

Chinese Premier Wen Jiabao told Xinhua in an interview on Dec. 27 that the government would use taxes and mortgage rates to stabilize house prices and take measures to clamp down on house speculation.

Starting Jan. 1 this year, the government started to reimpose a sales tax on homes sold within five years of their purchase, after cutting the period to two years in January of 2009 to boost the then falling property market.

Social front

- Senior Chinese leader calls for arts industry reform, innovation (15th January)
A senior Chinese leader on Friday called for deepened reforms and more innovations in the country's arts sector for greater cultural development.

Li Changchun, member of the Standing Committee of the Political Bureau of the Communist Party of China Central Committee, made the call during an inspection to the China National Opera House.

Li urged China's major artistic troupes to bring out competitive products, and cultivate excellent artists by taking part in the market competition.

He called for innovation in the content and forms of cultural works, as well as in the technologies and means of communication.

Li urged the troupes to tap the international market, and called for a better system to train more cultural talents including arts producers, music conductors and performers.

Li also enjoyed performances and rehearsals at the state-level opera house, and solicited opinions of some artists.

- China stands firm on Internet security amid Google drama (15th January)
China Thursday insisted its stand for an open Internet under proper regulating following Google's widely-concerned statement of a possible retreat from the country.

"The Internet is open in China, where the government always encourages its development and has created a favorable environment for its healthy development," Foreign Ministry spokeswoman Jiang Yu said at a regular press conference.

Responding to a question on Google's claim to quit China, Jiang said China, like other countries, shall regulate the Internet industry in line with the law.

"China welcomes international Internet companies to conduct business within the country according to law," she said.

Her comment was China's first official response after Google's corporate development and chief legal officer, David Drummond, wrote on the company's official blog site, saying the company was to "review the feasibility of our business operations in China."

The post said its disputes with the government and unidentified attacks targeting Google's services in China forced the company to make the review and possibly to "shut down Google.cn" and potentially its China offices.

Jiang said China's law "prohibits hacker attacks in any form."

Also on Thursday, Wang Chen, director of China's State Council Information Office, said China firmly opposed cyber attacks because China itself is a victim of such attacks.

In an interview with the People's Daily, the official said every country needs to "effectively" regulate the Internet and to make sure their own problems on the web do not affect other countries.

"Internet security has become a significant problem that does not only involve China but also other countries," Wang said.

Experts interviewed by Xinhua questioned Google's real intentions.

"It is obvious that any website could be attacked by hackers, either in China or other countries. Cyberattacks can't be the real reason for Google's possible retreat," said Sun Zhe, director of the China-U.S. Relations Center at Tsinghua University.

Baidu.com, China's top search engine and Google's biggest rival in the country, had been temporarily paralyzed for more than three hours Tuesday after being attacked. Its domain name server in the United States had been illegally attacked, the company said in a statement.

"Cyberattack is a headache for local and overseas major websites. Google should provide its evidence or clues on these attacks to Chinese authorities, so that both sides work together on this common problem," Sun said.

As for its disputes with the government, Google had been blamed for showing too many links to pornographic contents and breaking Chinese laws.

In a series of national anti-online porn campaigns last year, Google acted quickly in cleaning up pornographic searching results on Google.cn, upon requests from the Chinese authorities.

The experts argued that Internet regulation was a common practice in most countries.

Liu Deliang, head of the Beijing-based Asia-Pacific Institute for Cyber-law Studies, said both China and the United States had laws and regulations on Internet but only in different ways.

"The U.S. government only wants to keep children away from porn, while the Chinese government wants nobody to have access to porn," Liu said.

Google appeared to have followed government rules in its own country. In March 2008, Google reportedly removed the images of U.S. military bases from its mapping service upon orders from the U.S. government.

"U.S. authorities also have information classified and filtered via technical methods, and they have regulations on media contents and operation too," said Yao Huanqing, associate professor from Law School of Renming University of China.

While many Internet users in China were dismayed by Google's announcement, some suspected if Google's latest move was made out of concerns of economic benefits and market share.

A blogger named Sarah Lacy said in a post on techcrunch.com that Google's business was not doing well in China, quoting Google China's former head Kai-fu Lee as saying the company was never going to substantially increase its market share or beat Baidu.

"Google has clearly decided doing business in China isn't worth it, and is turning what would be a negative into a marketing positive for its business in the rest of the world," the blogger said.

Liu Dan, a researcher with a Beijing-based consulting company affiliated to the China Center for Information Industry Development, said Google's strategy of localizing and marketing was not as good as its technology.

According to the iResearch Consulting Group, the Chinese search engine market reached nearly seven billion yuan (about one billion U.S. dollars) in 2009, and Google took 32.8 percent in Q3 revenues while China's Baidu claimed 63.8 percent.

"It should be a business decision for a company to quit an overseas market or not, but now the Google case has been overstated," Sun Zhe said.

"As China has a quite relaxed environment now, its principle on Internet security is impossible to change. The choice is only left to Google," he said.

- China to launch first national water conservancy survey (15th January)

China will carry out the first national water conservancy survey from 2010 to 2012, said a statement issued by the State Council on the Chinese central government website Thursday.

The project will cover rivers, lakes, water conservancy projects, water conservancy institutions and key water users in the Chinese mainland, said the statement on the website (www.gov.cn).

The survey will focus on the numbers of lakes and rivers, the conditions of water conservancy projects and the protection of rivers and lakes.

Program planning, pilot projects and training will be made in 2010. Field work will be carried out in 2011. The survey will be published in 2012, according to the statement.

- Chinese mainland, Taiwan likely to exchange tourism offices in February (13th January)

The Chinese mainland and Taiwan are likely to open tourism representative offices on each side of the Taiwan Strait around the Lunar New Year, said a mainland spokesman Wednesday.

The offices were expected to open around the Spring Festival that falls on Feb. 14, said Yang Yi, spokesman with the State Council Taiwan Affairs Office, at a press conference in Beijing.

The mainland had become the second largest source of tourists to Taiwan, he said. Last year, 606,200 mainland tourists formed 23,289 groups to tour Taiwan.

But Yang gave no details about the offices at the press conference.

Taiwan lifted the ban on mainland tourists in June 2008, and the first group of mainland tourists arrived in July that year.

The past year saw a "healthy and orderly" development of tourism across the strait thanks to close cooperation between the two sides, Yang said.

In the past year, the mainland allowed residents from 25 provinces and municipalities to travel to Taiwan, up from 13 in the original agreement.

Taiwan reduced the minimum members of a mainland travel group from 10 to five persons and extended the maximum stay from 10 to 15 days.

However, the industry complained of restrictions such as that of residence permits. A mainland resident has to join in Taiwan tour packages in the place where he holds a permanent residence permit, instead of where he actually lives.

"As the business just started for one and half years ago, many things are in the early stage," Yang said. "The tourism department will lift restrictions on tourist residence permits step by step, based on the development of the business."

When the conditions were ready, it was also likely to allow mainland residents to travel independently, he said.

- Senior leader calls to further promote socialist culture and ethics (13th January)
A senior Chinese leader Tuesday called for more efforts to promote socialist culture and ethics to serve the overarching goal of China's social and economic development.

Li Changchun, a member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China, urged departments concerned to resort to reform and innovation to improve the effectiveness and attraction of the work concerning culture and ethics.

Efforts should be made to promote the socialist core value, improve public culture services, and promote Red tourism, or visits to former revolutionary bases, he said at a meeting held by the Central Commission for Guiding Ethic and Cultural Progress.

To protect minors, Li also vowed to continue the lawful crackdown on the dissemination of obscene and harmful materials via cell phones or on the Internet.

- Senior Chinese leader stresses importance of religious affairs management (13th January)
Chinese Vice Premier Hui Liangyu on Tuesday stressed the importance of religious affairs management, saying that correct understanding and proper handling of religious affairs was important to China's social harmony and stability.

Hui asked relevant departments to strengthen management of religious affairs by law and improve their ability to apply legal means to resolve key and difficult religious problems.

The Party's policies on religious affairs had been proven to be in complete compliance with China's real situation and must be unswervingly adhered to, Hui said at the 2010 national meeting on work related to religion.

Jia Qinglin, chairman of the National Committee of the Chinese People's Political Consultative Conference, said in his written instructions to the meeting that departments of united front work and religious affairs should earnestly study and implement the CPC's policies on religion.

- Chinese vice premier stresses employment (12th January)
Chinese Vice Premier Zhang Dejiangon Tuesday called for more active measures to stabilize and expand employment.

The efforts should be targeted especially at college graduates, migrant workers and groups with difficulties to find jobs, said Zhang at a meeting on national employment work in Beijing.

China provided 11.02 million new jobs in urban areas with urban registered jobless rate at 4.3 percent in 2009, over-fulfilling the annual tasks for the year, Zhang said.

The employment situation was still tough in 2010 and more effective measures should be made to stabilize employment, Zhang said.

Employment of college graduates should be given top priority, and they should be encouraged to go to grassroots, central and western regions and medium and small enterprises for jobs, or start their own businesses, Zhang said.

More work should be done to help migrant workers find jobs in cities or their hometowns and help people with difficulties find jobs, Zhang said.

- China gives international science cooperation award to seven foreign experts (11th January)

The Chinese government Monday bestowed its International Science and Technology Cooperation Award on seven foreign scientists for their contributions to China's science and technology development.

Three scientists from the United States -- Prof. Yuen-Ron Shen, Prof. Vincent Chan and Prof. Britton Chance -- Prof. Arima Akito from Japan, Prof. Agustin Lage Davila from Cuba, Prof. Michel Che from France and Prof. Ernst-Ludwig Winnacker from Germany were honored.

Prof. Yuen-Ron Shen, 74, has engaged in Sino-American science and technology cooperation in a variety of fields since 1972.

The cooperation had dramatically improved the academic status and influence of China in optics and condensed matter physics, said a statement from the Ministry of Science and Technology.

Prof. Vincent Chan, 60, had contributed to the rapid promotion and new discoveries of nuclear fusion in China. Prof. Britton Chance, 96, a former member of the U.S. President's Scientific Advisory Committee, had helped train and cultivated outstanding Chinese scientists, said the statement.

Nuclear physicist Arima Akito, 79, had taken an active part in promoting scientific exchange and cooperation between Japan and China in his position as president of the University of Tokyo and Japanese Minister of Science and Technology over the past three decades, said the statement.

Through the largest-ever Sino-Cuban biomedical cooperation project, biologist Agustin Lage Davila, 60, had helped and guided development of the first humanized monoclonal antibody for cancer treatment in China.

Under the cooperation between the Chinese Academy of Sciences and the France National Center for Scientific Research, chemist Michel Che, 68, had contributed to chemical catalyst research in China, said the statement.

Biochemist Ernst-Ludwig Winnacker, 68, had put forward a series of innovative ideas and carried out effective measures to promote Sino-German joint research centers and young scientists groups as well as other technology cooperation between the two countries.

The awards were conferred at a ceremony held for China's annual national science and technology awards in the Great Hall of the People.

The International Science and Technology Cooperation Award was launched in 1994 by the State Council. Up to 10 foreign individuals and organizations each year can receive the award.

- China presents awards to outstanding scientists (11th January)

Two scientists from the Chinese Academy of Sciences received China's top science honor Monday for their outstanding contributions to scientific and technological innovation.

Gu Chaohao, a mathematician, and space scientist Sun Jiadong won China's 2009 State Top Scientific and Technological Award.

Gu was born in 1926 in Wenzhou of southeast Zhejiang Province. He received his doctorate in physics and mathematics from Moscow State University in 1959 and is a former vice president of Fudan University and a former president of the University of Science and Technology of China.

He was honored for his "important contributions" to differential geometry, partial differential equations and mathematical physics, three sub-disciplines of modern mathematics, according to a statement from the awards organizing committee.

His pioneering research on partial differential equations contributed to solving mathematical problems in the field of supersonic aerodynamics and provided important methodology for later study of the discipline, said the statement.

Sun Jiadong was born in 1929 in Fuxian of northeast Liaoning Province. He graduated from Zhukovsky Air Force Engineering Academy in the Soviet Union in 1958. He played a leading role in the design of the first Chinese satellite Dong Fanghong I launched in 1970, the first recoverable remote-sensing satellite in 1975, the first geostationary communication satellite in 1984 and China's lunar exploration program.

Sun was recognized for his 50-year contribution to China's space industry and continuing service on the frontline of China's space technology.

The two scientists were each awarded 5 million yuan (732,300 U.S. dollars). President Hu Jintao presented them with the certificates at the Great Hall of the People in downtown Beijing.

Premier Wen Jiabao said in a speech at the ceremony that scientific innovation was an important means to cope with the global economic downturn and served as an impetus to realize lasting economic prosperity.

Wen called for greater efforts to embrace global scientific and technological development and build China into an innovation-driven economy.

Independent innovation should always play a key part in economic restructuring and transformation of the country's development pattern, he said.

Efforts should be made to make scientific breakthroughs on issues related to people's living standards and national security and competitive power.

Wen called for intensified efforts to develop new emerging industries such as new energy resources, information and the Internet as well as life sciences.

He also underlined the importance of training scientific talents to provide support for the country's modernization drive.

Vice Premier Li Keqiang chaired the ceremony, which was also attended by Li Changchun and Xi Jinping, members of the Standing Committee of the Political Bureau of the Communist Party of China Central Committee.

China's lunar exploration program and two other scientific programs received a State Special Award for Scientific and Technological Progress.

The editing and research for the Flora of China won the first prize in the State Natural Science Award.

Twenty seven projects received second prizes in State Natural Science Award.

- Wen: Innovation should drive science (10th January)

Premier Wen Jiabao yesterday called for scientific innovation to help the country cope with the global economic downturn and serve as an impetus to realize lasting economic prosperity.

He made the call at a grand ceremony to present the 2009 State Top Scientific and Technological Award.

Wen said greater efforts should be made to embrace global scientific and technological development and build China into an innovation-driven economy.

Independent innovation should always play a key part in economic restructuring and transformation of the country's development pattern, he said.

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Gu Chaohao, a mathematician, and space scientist Sun Jiadong received the top science honor yesterday for their outstanding contributions to scientific and technological innovation.

But the announcement generated mixed feelings among academics.

The life stories of established scientists are a reminder many university faculty should spend more time on research than on reputation and salary.

Chinese universities have strengthened efforts in anti-academic corruption and fraud following a recent revelation of 70 fake academic papers from Jinggangshan University in East China.

In addition to the questionable academic environment, the current rigid education system has also been held responsible for the scarcity of international renowned scientists including late scientist Qian Xuesen, who is considered the father of the Chinese space program.

"One of the major reasons why Chinese science and technology are not well developed, is because no universities have been built to nurture creative talents," Qian told Premier Wen Jiabao during Wen's visit to the hospital.

"Lack of creativity and lack of outstanding talents are the major issues," the scientist said.

"China's evaluation system of a scholar or a researcher's work that focuses on the number of published papers rather than the quality have played a role in the shortage of world-leading, innovative scientists and scholars," said Cui Zhiwei, a mathematics lecturer in a leading university in Beijing.

But Cui said the award sends a message that the government has put the development of theoretical sciences on its top agenda.

"It is also encouraging for young researchers like us to see the bright prospects of doing theoretical research."

Ethnic issues

- Tibet activist's e-mail attacked from China (16th January)

Living under Chinese rule in Tibet, Tenzin Seldon's parents couldn't carry an image of the Dalai Lama or recite their mantras in public. Now the 20-year-old Stanford sophomore believes the long arm of the Chinese government has stretched across an ocean and generation to infiltrate her own life.

Seldon is one of the dozens of human rights advocates whose e-mail accounts were accessed in cyber attacks that appear to have originated in China, she says and Google Inc. confirms.

"I'm a human rights activist for not only Tibetans, but also the Chinese people," Seldon said. "Clearly they saw that as a threat."

The Mountain View Internet giant has stopped short of directly accusing the Chinese government of involvement in the digital spying, but outside observers say the company's emphatic response leaves little doubt. Upon revealing the sophisticated assaults on Tuesday, Google said it will stop censoring search results in the nation over the next few weeks, even if the decision means the company is forced to shutter its Chinese operations. Seldon was born in India, where her parents sought political asylum after fleeing Tibet through the Himalayas. They moved to the United States when she was a teenager and, as a high school student in Albany, she established a local chapter of Students for a Free Tibet. The organization believes Tibet should be an independent country free from Chinese rule. China maintains that Tibet is a region of the nation characterized by "harmony and prosperity" and that the Dalai Lama is a separatist.

As the organization's regional coordinator for California, Seldon has helped coordinate a number of protests, including those directed against the torch relay in San Francisco ahead of the 2008 Summer Olympics in Beijing. The actions included hanging large banners from the Golden Gate Bridge.

On Jan. 7, she says she was contacted by David Drummond, chief legal officer for Google, who told her that her Gmail account had been repeatedly accessed from an IP address in China near the end of the year. With her permission, the company scanned her laptop for viruses and malicious software.

None could be found, but that's not necessarily surprising. Industry sources say that the particular type of so-called malware used in some of these attacks was a sophisticated strain that self-destructs after executing its task, in this case the retrieval of an e-mail password.

Google confirmed that it contacted Seldon and inspected her laptop, and is working with other activists who were targeted.

"But let's be clear - these accounts were not compromised via Google," Google spokesman Gabriel Stricker said. "So the most important thing we can do is to publicize the fact is that this kind of activity is widespread on the Web and that people need to take action to protect their computers."

Specifically, the belief is that users were tricked into clicking on infected links or attachments, by appearing to come from sources they trusted.

For her part, Seldon complimented both the company's response to her specific attack - and its new stance on China.

"This is definitely a bit of a gamble," she said. "China has one of the biggest markets of Internet users. But in the long run, they're standing up for human rights and the principles that their company is founded on."

Her attitude toward the company is a reversal that matches Google's own: She had participated in the "No Luv 4 Google" boycott and protests in 2006, after the company launched the Chinese version of its service, which censored search results. Among other things, it blocked images of the Tiananmen Square protests in 1989 and information about the Dalai Lama.

Seldon said she's not surprised she was targeted, because she's witnessed this behavior before. In the weeks leading up to the Olympics protests, she said Students for a Free Tibet and other pro-Tibet groups were hit by a wave of cyber attacks, a claim confirmed by press reports at the time.

The Chinese Consulate in San Francisco didn't respond to an inquiry, but China Foreign Ministry spokesperson Jiang Yu said in prepared remarks earlier this week: "I want to stress that China's Internet is open. The Chinese Government encourages the development of (the) Internet and endeavors to create a sound environment for the healthy development of (the) Internet. Hacking in whatever form is prohibited by law in China."

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/01/15/BUHM1BIRRO.DTL>

- Xinjiang steps up fight against terrorism (15th January)

Law enforcers in Xinjiang Uygur Autonomous Region have set anti-terrorism as the main task in their work, according to Rozi Ismail, head of Xinjiang Higher People's Court.

People's courts at all levels in Xinjiang Uygur Autonomous Region closed 437 cases on jeopardizing state security in 2009, with many of the criminals having conducted activities of terrorist violence, said Rozi Ismail in his work report at the on-going Xinjiang People's Congress, or the legislature.

A total of 255 people got at least 10 years imprisonment, life imprisonment or death penalty, according to the report.

This gave a major blow to those who had tried to use violence to separate the country or use religion to carry out extreme activities, said Rozi Ismail.

Xinjiang courts at all levels had tried 21,463 criminal cases and closed 20,770, accounting for 96.7 percent of the total, he said.

The public security spending in Xinjiang is expected to grow at a relatively higher rate, according to a budget proposal submitted to the People's Congress.

Environmental front

- Chinese vice premier stresses stable energy supply (14th January)

Chinese Vice Premier Li Keqiang has stressed that more efforts were needed to ensure stable energy supply, which should be regarded as a key task in regulating current economic operation.

Li made the remarks Wednesday when inspecting the State Electricity Regulatory Commission and the State Grid Corporation of China on power supply during winter.

He urged relative departments to help the grassroots relieve supply-demand strains in certain areas.

Snow and temperature drops have hit much of China, and the demand for coal, power, gas and transportation soared sharply. The pressure from power consumption kept on climbing in winter, Li said.

More efforts were needed to improve coal output and supply, optimize power production and management, ensure oil and gas supply and improve energy transmission, Li said.

- China to promote low carbon transport: vice premier (16th January)

Chinese Vice Premier Zhang Dejiang said Friday that China would actively promote low carbon transport and build a resource-conserving and environmental friendly transportation system.

The transportation authorities should issue emission standards and make sure the standards were implemented, Zhang said at a national meeting on transportation.

Energy-saving transport facilities should be widely used, he said.

He said the government would continue to beef up efforts on transportation infrastructure construction and transport safety in 2010.

Regional report

North

Politics

- China's former supreme court vice president stands trial for graft (14th January)
Former Vice President of China's Supreme People's Court (SPC) Huang Songyou went on trial for taking bribes and graft in north China's Hebei Province Thursday.

Huang, 52, was accused of taking more than 3.9 million yuan (574,000 U.S. dollars) in bribes during 2005 to 2008 when he was SPC vice president, Langfang municipal procuratorate said.

He was also accused of embezzling 1.2 million yuan in 1997 when he was president of the Zhanjiang municipal Intermediate People's Court in south China's Guangdong Province, according to the Langfang procuratorate.

Huang, a native of Guangdong Province, became SPC vice president in 2002.

- Chen Quanguo elected governor of north China's Hebei province (16th January)
Chen Quanguo was elected governor of north China's Hebei Province Saturday at the third session of the 11th Hebei Provincial People's Congress.

Chen, 55, was appointed Hebei's acting governor on Dec. 15 last year after the local legislature approved the resignation of his predecessor Hu Chunhua.

Hu earlier was appointed Party chief of Inner Mongolia Autonomous Region.

Chen, a native of Pingyu County in Henan, was deputy secretary of the Henan provincial committee of the Communist Party of China between April 2003 and November 2009.

Social front

- Chinese vice premier stresses civil aviation development (14th January)
Chinese Vice Premier Zhang Dejiangon Wednesday called for more efforts to improve China's civil aviation development in terms of safety, services and profits.

China should always highlight transport safety among all aviation work, step up safety supervision and add more input in this aspect, said Zhang at a national meeting in Beijing.

The civil aviation sector should carefully organize transport work to ensure safe and quality services this year, especially during the upcoming peak season around the Spring Festival, and for Shanghai's World Expo and Guangzhou's Asian Games later this year, Zhang said.

Economic front

- China pulls through int'l financial crisis with determination (16th January)

China greeted the new year with a promising economy, improving people's livelihood and a stable society, a hard earned achievement in the face of the worst global economic depression since the World War II.

On the first day of 2010, Chinese President Hu Jintao paid a visit to a small village in northern Hebei Province.

He went there not only to convey New Year greetings to common people, but also to investigate how to sustain stable and relatively fast economic growth after China survived the impact of the crisis that struck even the world's most powerful economies.

Under a leadership with determination and foresight and with joint efforts of the nation, the country's economy has withstood the toughest test in this century.

Be PREPARED FOR DANGER, ACT QUICKLY

China has been prepared for possible dangers even at the most peaceful moment.

On June 13, 2008, Hu told a meeting of senior leaders of the central authorities and senior officials of central and local governments that the country should fully understand the problems and challenges it would face and prepare for possible difficulties.

At that time, the world economy was shadowed by the deepening subprime lending crisis in the United States.

In September 2008, following the filing for bankruptcy protection by Lehman Brothers, the fourth largest investment bank in the U.S. with a history of 158 years, the financial crisis began to spread quickly across the world.

Closely related with the developed economies through its high reliance on foreign trade, the Chinese economy also felt the impact from the crisis.

Export growth slowed down, some factories were closed and workers went home as fewer orders came.

The central government responded with preferential duty policies, easing restrictions over bank loans, lowering transaction tax of real estates and increasing credits for small and medium-sized enterprises.

The central authorities established a special team to cope with the crisis.

On Nov. 6, 2008, China announced ten measures to expand domestic consumption and boost economic growth and decided to adopt a pro-active fiscal policy and moderately loose monetary policy, revealing a hike in government investment aimed at bringing about 4 trillion yuan (579.71 billion U.S. dollars) of investment in two years.

A month later, at the Central Economic Work Conference that set the tone for economic policies in 2009, China drew guidelines for addressing the global financial crisis -- it would expand domestic consumption, accelerate transformation of its development pattern and structural adjustment, deepen reforms in key sectors and links, improve the level of opening up and improve people's livelihood ...

Detailed policies followed one after another. The central government issued plans to invigorate development of 10 industries including steel, car making, textile and machinery, as well as several regional development plans.

It also put forward preferential policies to encourage sales of home appliance, cars and motorbikes in rural areas.

More government investment came to infrastructure, scientific research and public service.

Although many decisions were made in Beijing, they were based on collective wisdom.

Since the global financial crisis broke out, nine members of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee have visited various regions, especially the worst-hit regions, talking with people from all walks of life, including businessmen, workers, city residents and farmers.

In November 2008, Hu held a meeting with representatives of non-Communist parties, the business circle and persons without party affiliation to solicit advice on how to cope with the crisis.

At the annual sessions of the National People's Congress (NPC) and the National Committee of the Chinese People's Political Consultative Conference (CPPCC) in March 2009, nine top leaders attended dozens of discussions with legislators and political advisors.

As the policies and measures were implemented step by step, the country's economic growth rebounded to 8.9 percent in the third quarter of 2009, realizing a V-shape recovery.

- Inner Mongolia becomes China's largest coal producer (15th January)

North China's Inner Mongolia Autonomous Region has replaced neighboring Shanxi Province as the country's largest producer of coal, local authorities said Friday.

In 2009, Inner Mongolia reported coal output of 637 million tonnes, 22 million tonnes more than Shanxi, China's top coal producing region for 30 years, said a statement from the regional administration of coal mine safety.

Last year, Inner Mongolia's coal production increased 37 percent year on year, and it was expected to hit 730 million tonnes in 2010, the statement said.

Shanxi saw a decline of 4.7 percent of its coal output year on year in 2009, it said.

Since 2004, Inner Mongolia had cut the number of its collieries from 2009 to 501, while expanding their annual capacity from 140,000 tonnes to 1 million tonnes, it said. It also contained the country's largest verified coal reserves of 700 billion tonnes, which more than doubled the number of Shanxi, said a spokesman with the regional department of Land and Resources.

In 2009, Shanxi launched a major coal industry consolidation to optimize operations, which led to closure of collieries with an annual capacity lower than 300,000 tonnes, Chen Chuanping, vice governor of Shanxi, told a news briefing early this month.

Northwest

Politics

- Luo Huining appointed acting governor of NW Qinghai province (12th January)

Luo Huining was appointed as acting governor of northwest China's Qinghai Province on Tuesday at the 13th session of the Standing Committee of the 11th Qinghai Provincial People's Congress.

Luo, 55, took over the post from Song Xiuyan, whose resignation was approved by the provincial legislature also on Tuesday.

Song said in her written resignation: "I request to resign as Qinghai governor because of work transfer."

Born in Dangtu County in the eastern province of Anhui, Luo holds a PhD degree in economics. He has been a deputy secretary of the Qinghai provincial committee of the Communist Party of China (CPC) since 2003.

Luo was head of the publicity department of the CPC Anhui provincial committee between 1999 and 2003.

Social front

Economic front

Northeast

Politics

Social front

Economic front

Southwest

Politics

- Top legislator: Tibet's parliament endorses resignations of governor (15th January)

The ongoing session of the People's Congress of southwest China's Tibet Autonomous Region endorsed Friday the resignations of the regional government chairman Qiangba Puncog and parliament leader Legqog.

Qiangba Puncog, a native of Qamdo Prefecture, was born in 1947. He took office as chairman of Tibet's regional government in May 2003.

A mechanics major from Chongqing University in the southwestern Chongqing Municipality, Qiangba Puncog is among the first Tibetans to receive college education.

Legqog, born in 1944, is a native of Gyangze County in southern Tibet. He took office as chairman of the Standing Committee of Tibet's Regional People's Congress in May 2003, after serving for five years as chairman of the regional government.

Their successors will be elected before the annual parliament session concludes later Friday morning.

- Tibet parliament session announces leadership changes (15th January)

Tibet's new governor pledged to make social stability and national unity the priority of his administration after the regional parliament unanimously elected him to the post Friday.

Padma Choling, formerly vice-chairman of the regional government, was elected at the regional parliamentary session of southwest China's Tibet Autonomous Region.

He replaces Qiangba Puncog as head of the regional government, the eighth person to take up the post since the Tibet Autonomous Region was founded in 1965.

"It's a great honor, as well as a heavy responsibility," he said at a press conference shortly after the election. "I have the determination and confidence to live up to everyone's expectations."

His six-minute speech to the press focused on the regional government's adherence to the Chinese Communist Party rule, as well as its role in bolstering economic growth, improving people's welfare, and maintaining social stability.

"Stability is of overwhelming importance," he said. "We will firmly oppose all attempts at secession, safeguard national unification and security, and maintain unity among different ethnic groups in Tibet."

Padma Choling, born in 1951, is a native of Dengqen in Qamdo Prefecture. Padma means "lotus" in Tibetan and Choling means "immense beneficence."

He served 17 years in the People's Liberation Army (PLA) from 1969 to 1986, before he became an official in Tibet's regional government.

He was elected vice-chairman of the regional government in 2003.

Earlier this month, he replaced Legqog as deputy secretary of Tibet's regional committee of the Communist Party of China (CPC).

"In contrast to his predecessor, the slender, bespectacled and soft-spoken Qiangba Puncog, Padma Choling is firm and strong-willed," a source close to the two officials said on condition of anonymity. "Many Tibetans admire Qiangba Puncog as a man of wisdom, and Padma Choling, a man of valor."

Tsering Norbu, a journalist with a local Tibetan newspaper, sees the new governor as "a man with a twofold personality".

"He looks stern, but if you get closer to him, you'll find he's an amiable person. He's straightforward and always gives explicit answers to questions."

Tsering Norbu recalled the two sleepless nights after the most destructive earthquake in recent decades hit Damxung, an outer county of the regional capital Lhasa, in October 2008.

"Padma Choling worked those two nights in a tent that served as the emergency rescue headquarters," he said. "He, too, didn't sleep and his eyes were red and swollen. He told me the residents were scared and in desperate need of information, and pressed us to produce good stories."

Former governor Qiangba Puncog was elected chairman of the Standing Committee of the Regional People's Congress, replacing former parliament leader Legqog who, at 66, has reached retirement age.

Qiangba Puncog, born in 1947, served as Tibet's governor for nearly seven years.

A mechanics major from Chongqing University in the southwestern Chongqing Municipality, Qiangba Puncog was among the first Tibetans to receive a college education.

- Tibet's regional parliament session to discuss personnel changes (12th January)
Tibet Autonomous Regional Government Chairman Qiangba Puncog is to tender his resignation at the ongoing session of the People's Congress of the Tibet Autonomous Region, according to the confirmed agenda of the annual meeting.

A new chairman will be elected before the session concludes on Friday.

Qiangba Puncog, a native of Qamdo Prefecture, was born in 1947. He took office as chairman of Tibet's Regional Government in May 2003.

Legqog, chairman of the Standing Committee of Tibet's regional people's congress, will also present his resignation at the parliamentary session, which opened Sunday. The congress will elect a new leader.

Legqog, born in 1944, is a native of Gyangze County in southern Tibet. He was appointed Tibet's top legislator in May 2003, after serving for five years as chairman of the regional government.

Tibet Daily reported last week that Legqog had been replaced by Padma Choling as deputy secretary of Tibet's regional committee of the Communist Party of China (CPC).

Padma Choling, born in 1951, is also vice-chairman of the regional government.

Tibet's regional legislature endorsed the landmark "Serfs Emancipation Day" at last year's session.

The day, to be marked every year on March 28, commemorates the end of feudal serfdom. It was the day the Chinese central government dissolved the aristocratic rule of Tibet and freed more than 1 million serfs.

Social front

Economic front

- Tibet's Gyirong Port to open in 2011 (16th January)

The Gyirong Port of Entry is expected to open in 2011 after this year's construction, according to Zhaduo, magistrate of the Gyirong County in southwest Tibet.

As a result, a great land channel to south Asia will be formed in three to five years.

"The General Plan for the Gyirong Port of Entry has been approved by the Tibet Autonomous Regional Government and submitted to the central government for approval," Zhaduo said, "The plan is expected to be endorsed at the end of April."

According to the plan, Gyirong County will designate 44.5 sq km as a future China-Nepal cross-border free trade zone and Nepal will be urged to open a similar zone.

Work will be done to receive preferential policies for the zone from the Central Government.

The port will also provide great opportunities for the development of the area's tourism industry.

South central

Politics

Social front

Economic front

East

Politics

- Chinese President calls on whole nation to support Shanghai World Expo (15th January)

Chinese President Hu Jintao Friday called on the Chinese people to pool their strength and resources to make sure the Shanghai World Expo a success.

With just 106 days to go before the Expo opening on May 1, Hu visited the Expo site Friday during an inspection tour in Shanghai.

"Hosting the World Expo is not only a significant event of Shanghai, but also of the whole nation," he said, noting it was both the responsibility of Shanghai and the whole country to hold a successful Expo.

He urged Shanghai to make "all-out efforts" to efficiently complete the preparations and be a good host.

He asked central government departments and local governments to take initiative and make concerted efforts in supporting the event.

The Expo's organizing committee should enhance its leading role and supervision to push forward relevant preparatory work orderly, he said.

Hu put forward six requirements on the Expo's preparatory work:

- To ensure the Expo site's infrastructure building and exhibition arrangements be completed on time;
- To ensure sound service and logistics;
- Security should be fully guaranteed;
- Foreign affairs work, including receptions of international guests, must be well handled;
- To ensure efficient and effective publicity work;
- To create a civilized, happy and peaceful atmosphere.

Hu said though the Expo was a big challenge, he believed it would be a "successful, brilliant and memorable" event with the support of the Chinese people, especially the contributions of Shanghai officials and residents.

The Shanghai World Expo, which is expected to receive 70 million visitors, will last from May 1 to Oct. 31.

So far, 35 of the 42 self-built foreign pavilions have started interior decoration and exhibition arrangement, and 11 joint pavilions have been completed.

Social front

Economic front

- Shanghai Expo to exhibit Haitian capital before and after quake (16th January)

Shanghai World Expo coordinators are considering a plan to exhibit the changed landscape of Haitian capital Port-au-Prince before and after the earthquake, to make a stronger presence of the country to the world.

"We plan to present the views of the quake-devastated capital before and after the earthquake in the Haitian Hall to call for more attention and supports from the international community for its reconstruction," said He Lihua, an exhibition official

"We have made initial agreement with Courtney Rattray, deputy representative of the Caribbean countries to the Expo, and we are soliciting opinions from the Haiti authorities," He said.

"No answer has come yet," He added.

Member states of the Caribbean Community will have a joint participation in the Expo. The pavilion has been completed, in which Haitian hall covers about 250 square meters.

"We will guarantee the participation of Haiti at the Expo as originally planned," said Zhou Jun, head of the exhibition department under the Bureau of Shanghai World Expo Coordination.

HONGKONG AND MACAU

Politics

- State Council says Hong Kong "referendum" violates Constitution, Basic Law (15th January)

China's State Council, or Cabinet, on Friday said the so-called "five districts referendum" proposed by some social groups in Hong Kong would violate China's Constitution and the region's Basic Law.

A statement released by a spokesman for the State Council's Hong Kong and Macao Affairs Office said the "referendum" had no legal basis in the country's Constitution and violates the special administrative region's (SAR) Basic Law.

The statement said the Standing Committee of the National People's Congress (NPC), China's top legislature, had already made arrangements for the development of Hong Kong's political system, including the principles and procedures that a universal suffrage of the SAR's chief executive and legislature should follow.

The League of Social Democrats and some other organizations in Hong Kong have proposed that five legislators, one from each of Hong Kong's five electoral districts, resign so their candidates will advocate all Hong Kong citizens can vote for general elections in the consequent by-elections.

The proposal is regarded as a de facto referendum.

The NPC Standing Committee had set a timetable that allowed universal suffrage for the SAR's chief executive no earlier than 2017 and that for all the SAR's legislators later.

Hong Kong's Chief Executive Donald Tsang on Thursday said the SAR's government would not recognize any form of referendum on the issue.

The State Council appreciated Tsang's remarks.

No matter how different the opinions on the constitutional development of the SAR were, the Basic Law should be obeyed, the statement said.

All parties and groups should discuss the amendment to the election methods of the region's chief executive and legislature in 2012 in a rational and pragmatic way in line with the SAR's Basic Law and the top legislature's decision, it said.

Social front

- HK to start second batch of Child Development Fund projects (16th January)

The Social Welfare Department of Hong Kong Friday said at least 1,500 children from a disadvantaged background will benefit from the Child Development Fund Project in the first half of the year.

The remark came after the government announced its plan to rollout 15 second batch fund projects in the first half of 2010.

The department has invited interested non-governmental organizations (NGOs) to submit proposals for operating the projects. Selected NGOs are expected to start recruiting children for the projects in May.

A department spokesman said the first batch of the fund pioneer projects rolled out in Dec. 2008 were well received and widely supported by different sectors of the community.

The government set up the 300 million HK dollars (about 38.7 million U.S. dollars) fund to provide disadvantaged children with more personal development opportunities, so as to reduce inter-generational poverty.

The fund projects help participants draw up and implement their own development plans as well as develop an asset-building habit, thus preparing them for long-term development.

According to the spokesman, the applicant for the fund must be a charitable organization registered under Section 88 of the Inland Revenue Ordinance (Cap 112), with a good track record in the provision of children and youth services in Hong Kong in the past five years.

- Endangered species protection assured in HK (16th January)

Acting Secretary for the Environment of Hong Kong Kitty Poon Wednesday said there were 69 successful prosecutions related to illegal import of endangered species in the first 11 months of 2009.

Poon told lawmakers on Wednesday that the numbers of prosecutions were 73 and 61 for 2007 and 2008 respectively and reiterated the government's commitment to the protection of endangered species and implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

The convention's Conference of the Parties will consider in March the listing of other shark species, including the International Union for Conservation of Nature-listed threatened shark species, including the scalloped hammerhead, said Poon.

She said the government will closely follow the international control as required by the convention on the trade in endangered species. Species listed in the convention appendices at the Conference of the Parties will be put under the control of the ordinance accordingly.

Illegal import of endangered species warrants two years' jail and a 5-million U.S. dollar fine.

- 15% HK population acquires immunity to new flu without vaccination: findings (16th January)

Research findings have shown about 15 percent of the Hong Kong population has acquired immunity to the influenza A/H1N1 without vaccination, a senior health official of the Hong Kong Special Administrative Region (HKSAR) government said Saturday.

The findings of the researches by the University of Hong Kong will be helpful when a committee of the HKSAR government reviews vaccination policies next week, Under Secretary for Food and Health Gabriel Leung said in an interview with a local radio.

With those who have received vaccinations included, an estimated 1.2 million people in Hong Kong had immunity to the new flu at present, Leung said.

Hong Kong has a total population of about 7 million. Statistics released Friday by local health authorities showed close to 136, 000 people have received subsidized vaccinations against the new flu.

The number of people getting vaccinations each day has been recently falling, but health authorities still have to remain vigilant and prepare for any possible deterioration in the future, Leung said.

- HK to have more elders with dementia: official (13th January)

Faced with the challenges of an ageing population like other developed economies, Hong Kong is expected to have more elders suffering from the Alzheimer's disease, a HK official said Wednesday.

The Census and Statistics Department forecast the city's population of those aged 70 or above to reach 830,000 in 2019. Based on the current incidence rate of dementia, it is projected 77,000 people aged 70 or more will have the illness by 2019, said Matthew Cheung, the city's secretary for labor and welfare.

To cope with the situation, the government has been allocating extra resources in recent years to enhance care services, including support for elders with dementia and their carers, Cheung said.

"At present the government provides a range of subsidized care services for dementia patients with long-term care needs. These include residential care services, day care services and home-based care services. The waiting time is about 24 months, seven months and two months respectively," he said.

Public spending on elderly services has grown from 1.62 billion HK dollars in 1997 to 3.98 billion HK dollars this financial year, up 145 percent, he added.

A joint study by Hong Kong's Department of Health and the Chinese University in 2006 showed about 9.3 percent of people aged 70 or more suffered from dementia. It is

estimated 63,000 Hong Kong seniors are currently living with dementia.(7.76 HK dollars equal one U.S. dollar)

Economic front

- Macao holds trade fair to promote Zhejiang products (15th January)

A trade fair to promote products from east China's Zhejiang Province was kicked off in Macao Friday, with more than 4,000 local brands exhibited for three days.

The Zhejiang's China Time-Honored Brands and Zhejiang Macao Branded Products Fair 2010 displayed products of 110 enterprises in Zhejiang, including traditional Chinese medicine and health care products, food and beverage, general merchandise, cultural arts and crafts, and tea products.

The fair will further enhance the trade, economic and cultural exchange between Macao Special Administrative Region (SAR) and Zhejiang province, said Jin Yonghui, director-general of Zhejiang's Department of Commerce.

He also said the event would help Zhejiang learn from the SAR's trade and economic experience, and deepen business and economic exchange and cooperation between Macao and Zhejiang.

The fair was part of the 2010 Macao-Zhejiang Week, a business promotional event organized by the provincial government of Zhejiang.

- Macao's TPI up 9.23% in Q4 (15th January)

Macao's Tourist Price Index (TPI) for the fourth quarter of 2009 rose by 9.23 percent over the same period of last year to 158.58, according to the figures released on Friday by the city's Statistics and Census Service (DSEC).

The figures showed that the price indices of Miscellaneous goods, Accommodation and Food, alcoholic drinks and tobacco increased notably by 26.16 percent, 13.16 percent and 4.12 percent year-on-year respectively in the period, attributable to dearer prices of jewellery led by rising gold prices, higher hotel room rate during the National Day holidays, the Macao Grand Prix and Christmas holiday period, as well as general increase of food prices.

On the contrary, lower airfares pushed the price index of Transport and communications down by 3.47 percent year-on-year.

The average TPI for 2009 rose by 3.81 percent year-on-year, with marked increase of the indices of Miscellaneous goods, Food, alcoholic drinks and tobacco and Restaurant services.

TPI reflects the price changes of goods and services purchased by visitors, which is compiled based on the consumption pattern of visitors derived from the Visitor Expenditure Survey. The base year of TPI is from July 1999 to June 2000.

- HK toy exports earn 88.55 billion HK dollars in 2009 (11th January)

Hong Kong's toy exports went down 10 percent to 88.55 billion HK dollars (11.35 billion U.S. dollars) in the first 11 months of 2009, according to figures released by the Hong Kong Trade Development Council Monday at a toys and games fair.

Toy exports to Russia fell 57.1 percent while exports to Czech rose 58.2 percent. Exports to the U.S. dropped 23.6 percent and that to the European Union dipped 8 percent.

As for baby products in the first 11 months of 2009, the exports reached approximately 6 billion HK dollars (726 million U. S. dollars). Its top export markets were the U.S., the U.K., Macao, Italy and France.

The 36th Hong Kong Toys and Games Fair, Asia's largest toy show, opened on Monday featuring about 2,000 exhibitors from 38 countries and regions.

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