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Political front

- Mainland expects Taiwan opposition to give up pro-independence stance (12th May)

(Xinhua) -- A Chinese mainland spokesman Wednesday urged Taiwan's Democratic Progressive Party (DPP) to give up pro-independence stance, when commenting on DPP Chairwoman Tsai Ing-wen's recent remarks on cross-Strait dialogue.

"We hope the DPP will realize there is no way out if it does not give up the stance of 'Taiwan independence'," said Yang Yi, spokesman of the State Council Taiwan Affairs Office, at a press conference.

Peaceful development across the Taiwan Strait has been the mainstream, and "Taiwan independence" will not be to the basic and long-term interests of Taiwan people, he said, when asked to comment on Tsai's interview with Reuters published on Monday

Tsai was quoted by Reuters as saying that the DPP would "pursue a separate dialogue mechanism with Beijing, possibly under the umbrella of an outside organization."

Yang said "we welcome and support any dialogues between non-governmental organizations and people to improve cross-Strait relations."

- China strives to promote credibility of judiciary: senior leader (12th May)

(Xinhua) -- China is making efforts to reform its judicial system and promote its credibility, a senior leader said Wednesday.

"As Chinese courts still don't live up to the increasing judicial expectations of the public, we are striving to reinforce personnel, improve the handling of cases and promote the judiciary's credibility," senior Chinese leader Zhou Yongkang told a visiting Slovakian delegation.

Zhou, a Standing Committee member of the Political Bureau of the Communist Party of China (CPC) Central Committee, met with President of the Slovak Supreme Court Stefan Harabin and Deputy Prime Minister and Minister of Justice Viera Petrikova at the Great Hall of the People on Wednesday.

"Since China's reform and opening up in 1978, China has made much progress, but social conflict has also arisen," said Zhou, who also heads the CPC Central Political and Legislative Affairs Committee.

Zhou briefed Harabin and Petrikova on China's efforts to resolve conflict and reduce disharmony.

"China hopes to work with other countries to improve capabilities ensuring social equality and justice to promote social harmony and stability," Zhou said.

On broader China-Slovakia ties, Zhou said bilateral relations have developed smoothly since Slovakia's independence in 1993.

"Chinese President Hu Jintao's visit to Slovakia last year marked the start of a new chapter in bilateral ties," Zhou said.

He called on the two countries to work together to increase trade, justice and people-to-people exchanges.

Harabin recalled his three visits to China, saying he was impressed with the rapid progress in China's judicial system and improvements in human rights' protection.

Harabin called for the two countries to step up judicial exchanges and cooperation.

- Drop the jargon, China's vice president tells cadres (12th May)
(Xinhua) -- China's Communist Party officials must eradicate "empty words" and political jargon from their speeches and documents, Vice President Xi Jinping said Wednesday.

Xi told more than 900 officials and new student cadres at the Party School of Communist Party of China (CPC) Central Committee that they must show "substance" in word and deed.

Party officials should diligently study the Party's basic theories, constantly acquire new knowledge, and learn from "ancient Chinese" literature to make their communications simple and concise, Xi said at the opening of the school's spring semester in Beijing.

Xi cited no examples of empty words and jargon, but writing and speech styles of Party officials, especially leaders, had gradually improved in the past 30 years, said Xi, president of the Party School.

Xi said "unhealthy" writing or speech styles would seriously undermine the efficiency of Party and government operations and waste time resolving practical problems.

He asked Party leaders to deliver short, concise and straightforward speeches with new approaches and creativity in solving problems.

He urged Party leaders to learn "colloquial wisdom" from the public and make their speeches and articles more easily understood by common people.

Foreign relations

- Chinese, Russian presidents meet on bilateral cooperation (9th May)
(Xinhua) -- Chinese President Hu Jintao and his Russian counterpart Dmitry Medvedev met here Sunday to discuss ways to strengthen bilateral strategic relations of cooperation and partnership.

Hu is in Moscow for the celebrations marking the 65th anniversary of the victory of the Great Patriotic War over Nazi Germany.

He said the celebrations were wonderful and splendid, fully testifying to the strength of the peace-loving Russian people in building their country.

Medvedev said Russia and China shared similar views on the history of World War II, and the attendance of the two heads of states at the celebrations was of great significance.

President Hu said both sides should promote cooperation in trade and energy, as well as people-to-people and cultural exchanges, adding the two countries should implement in earnest the summer camp program that will bring 1,000 Russian middle and primary school students to China.

Hu brought forward a four-point proposal for boosting China-Russia strategic coordination.

First, both countries should strengthen their coordination and cooperation in the institutionalization of the Group of 20, seek greater say for the two countries in international affairs and uphold their just rights and interests and those of the developing countries.

Second, both countries should keep close communication, and help maintain regional peace and stability.

Third, both sides should enhance cooperation in fighting terrorism, as well as the "three forces," namely extremism, separatism and terrorism.

Fourth, both countries should strengthen coordination and cooperation in such major international issues as climate change and energy security.

Medvedev shared Hu's views on further boosting bilateral relations, adding that Russia is ready to strengthen cooperation with China in economy and trade, science and technology, energy, culture, and regional affairs.

The Russian president said both sides should make joint efforts to make the "Year of Chinese Language" in Russia a success, regarding it as a major task for bilateral cultural cooperation this year.

Medvedev congratulated China over the grand opening of the Shanghai World Expo, and expressed expectation to attend Russia's National Pavilion Day at the Expo.

The meeting was the second between the two leaders in less than a month. Hu and Medvedev met in Brasilia on April 15 on the sidelines of a summit of the BRIC nations - Brazil, Russia, India and China.

- Sweden committed to further deepening ties with China: FM (9th May) (Xinhua) -- Bilateral ties between Sweden and China are close and constructive after years of development and the Swedish government is committed to further deepening cooperation with China in all areas, Swedish Foreign Minister Carl Bildt said. In a recent written interview with Xinhua, the minister said that the aim of his government "is to further broaden and deepen the cooperation between our two countries which can be achieved through a constructive dialogue and intensified bilateral interaction at all levels. "Our relations are friendly and broad. Our contacts have deepened at all levels of society and in a great variety of areas," he said as the two country marked the 60th anniversary of their diplomatic ties on Sunday. He noted that the people-to-people dimension is very important in Swedish-Chinese relations. More and more people travel to each other's country to study, work or experience a different culture. Exchanges between senior government officials have also taken on momentum. "We have had two successful high-level visits recently, to China in 2006 (by Swedish King Carl XVI Gustaf) and to Sweden in 2007 (by Chinese President Hu Jintao). More than 11 ministers from my government have traveled to China. Vice President Xi Jinping visited Sweden a month ago," the foreign minister said. He also noted that in 2009 the Swedish government adopted a new strategy for shifting cooperation with China to development cooperation. The new strategy is aimed at phasing out traditional development cooperation by 2013 and will foster cooperation between such important actors as companies, government agencies, local authorities and universities in Sweden and China, he said. "The overall objective is enhanced democratic governance and greater respect for human rights, and environmentally and climate friendly sustainable development," the minister added. "When it comes to other areas within the foreign policy, we have a constructive and broad dialogue - even on issues where we have different opinions - covering a wide range of areas," he added.

He cited as examples dialogue and cooperation in research and development, human rights, trade and investment, innovation, environmental protection and environmental technology, corporate social responsibility (CSR) and culture.

"Sweden and China are determined to further deepen cooperation in these areas, and to explore new ones.

"The bilateral cooperation between Sweden and China takes place at many levels, including governmental, regional and municipal as well as between institutions and universities," he said.

Bildt also welcomed the increasingly important role China is playing in regional and global affairs, including in the United Nations.

China and Sweden formally established diplomatic relations on May 9, 1950. Sweden was the first Western country to establish diplomatic relations with the People's Republic of China.

- DPRK media hails Kim Jong Il's visit to China (9th May)

(Xinhua) -- The Rodong Sinmun, a leading newspaper of the Democratic People's Republic of Korea (DPRK), hailed the recent successful visit to China by top leader Kim Jong Il in an editorial published Sunday.

The editorial said that the people of the DPRK are "very glad and excited" about the visit. It is a "meaningful opportunity" to strengthen the friendship between the two parties and the leaders of the two countries.

The article also indicated that the DPRK will make efforts to further strengthen the traditional DPRK-China friendship.

Both countries shared the view that peace, stability and prosperity of the Korean Peninsula are in the common interests of the two countries and other Northeastern Asian nations, the editorial said.

The two sides will make joint efforts to achieve the objective of denuclearizing the Peninsula on the basis of the Sept. 19 Joint Statement, it added.

The editorial also said that the people of the DPRK sincerely wish the Chinese people still greater achievements in their socialist construction and the cause for national reunification.

Kim Jong Il made an unofficial visit to China from May 3 to 7. He has visited China for five times since 2000.

- Wen discusses int'l cooperation to combat financial crisis with Spanish counterpart (10th May)

(Xinhua) -- Chinese Premier Wen Jiabao urged international cooperation to overcome the global economic crisis in a telephone conversation with his Spanish counterpart Jose Luis Rodriguez Zapatero on Monday.

Spain holds the rotating presidency of the European Union (EU).

"The world economy is slowly recovering, yet we should never underestimate the seriousness and complexity of the crisis. The international community needs to further enhance cooperation with long-term efforts," said Wen.

He laid out a three-point proposal in battling the crisis: strengthening macroeconomic policy coordination and boosting market confidence, reforming the international financial system and strengthening regulation, and upholding free trade.

Speaking of the sovereign debt crisis troubling a series of European nations at present, Wen said China has noticed the bail-out package provided by the euro zone and International Monetary Fund (IMF) to Greece, adding that China will firmly support these initiatives and believes euro zone countries could overcome these difficulties and grow their economy.

Wen said, Spain is an important economy and a major trading partner of China. Bilateral cooperation in telecommunications, finance and energy has scored tremendous achievements.

"Right now, the Spanish government is taking measures to rectify finance, promote economic growth and employment. We support and believe it has the capability and resources to surmount these temporary hardship," said Wen.

He added that the Chinese government would like to work with the Spanish government in expanding mutual investment, promote a stable trade growth and enhance coordination and cooperation within the framework of G20 to contribute to a sustained recovery of the world economy.

Zapatero briefed Wen on the measures taken by the euro zone nations on the Greek debt crisis, saying his country, whose economic foundation is solid, is confident in overcoming the current problem.

Spain appreciated China's understanding and support, said Zapatero, adding that his country would like to further strengthen communication and cooperation with China bilaterally as well as within the G20 to meet the challenges of the international financial crisis and boost the recovery and growth of the world economy.

- China, Mongolia pledge to work together to fight corruption (10th May)

(Xinhua) -- China and Mongolia on Monday pledged to work closely together to root out corruption.

The pledge came at a meeting between Deputy Secretary of the Communist Party of China (CPC)'s Central Commission for Discipline Inspection He Yong and Mongolian People's Revolutionary Party General Control Committee Chairman L. Dondog.

He briefed Dondog on the CPC's efforts to combat corruption and uphold integrity while Dondog praised the effectiveness of the efforts.

He and Dondog agreed to step up inter-party exchanges to fight corruption and build clean government.

On broader China-Mongolia relations, He said good neighborly friendship and mutually-beneficial cooperation have been the hallmarks of the bilateral relationship since the two countries forged diplomatic ties in October 1949.

He expected Dondog's visit to help bilateral ties.

- West unprepared to integrate China into global governance structures: analyst (10th May)

(Xinhua) -- Despite China's fast economic growth, western countries are not prepared to change the mechanisms of global governance to accommodate the emerging nation, an analyst said at the Shanghai Expo on Monday.

James Kynge, editor of China Confidential, a Financial Times publication, said the trend of China's economic rise will most likely remain over the next ten years.

Kynge was speaking at a round-table discussion with the theme "World 2020: Opportunities and Challenges" which was organized by the European Union as part of its "EU In the World" program.

Kynge has lived 16 years in China and is the author of "China Shakes the World," a 2006 bestseller.

He said China's rise will be characterized by: technological upgrade; commercial competition with European and US companies; increased popularity of Chinese brands; and the migration of 300 million Chinese farmers to cities.

"In ten years, China will be economically, diplomatically and strategically more powerful than it is today," he said.

With China's rise, however, it has become important to restructure the global governance system, to take account of China's increased power, he said.

Since the end of World War II, the world has been governed by multilateral organizations like the United Nations (UN), the International Energy Agency (IEA), the International Monetary Fund (IMF), and the World Trade Organizations (WTO) - organizations mostly initiated by the United States and with the mission of furthering the West, he noted.

In theory, Western countries are willing to make changes to these organizations to accommodate a rising China. But in practice, it is hard, he said - "People never want to vote to give power away," he said.

"Not only does the world have to absorb a huge and rapidly growing power into the power structure, it has to absorb a very different power," Kynge told Xinhua, stressing that China differs from the West in many ways, like political systems, wealth, and ways of thinking.

He said it is unfortunate "there is not much thinking on the issue" in the West.

"The governments have not decided a coherent policy. They are not prepared. Some of them even tend to deny the issue. If they fail, there is a risk global governance will be disfunctional," he warned.

Pat Cox, ex-president of the European Parliament, said China has actively participated in international economic and political organizations like the G20, which represents a change in global governance.

"The important first step has been taken. A new order is being formed, and China is being part of that," said Cox.

- Home Ministry 'alarmist' on China: Jairam Ramesh (10th May)

Paranoid and alarmist were just two of the words that Union Environment Minister Jairam Ramesh leveled at the policies of the Home Ministry as he spoke at a Climate Change conference in China.

In an embarrassment for the UPA, Ramesh said that the Ministry's policies towards Chinese companies could harm the post-Copenhagen warming of ties between the neighbours.

Ramesh's comments came in the backdrop of reports that India had barred the import of telecom equipment from Chinese firm Huawei for installation in border areas because of security concerns.

<http://www.ndtv.com/news/india/home-ministry-alarmist-on-china-jairam-ramesh-24348.php?cp>

- China committed to maintaining peace, stability in Sino-Indian border areas (11th May)

(Xinhua) -- China will work with India to maintain peace and stability in their joint border areas until border disputes are finally settled, Foreign Ministry spokeswoman Jiang Yu reaffirmed here Tuesday.

Jiang's remark came in response to a question concerning an Indian media report Chinese armies had recently crossed the border into India.

"China's position on the Sino-Indian border issue is consistent and clear," Jiang told a regular news briefing.

She said China and India are negotiating to resolve their border disputes.

China and India have reached a consensus to work together to maintain peace and stability in border areas until the disputes are finally settled.

Jiang stressed Chinese border patrols have always abided by the rules and regulations of the consensus.

- China vows to cement traditional friendship with Namibia (11th May)

(Xinhua) -- China said here Tuesday that it was ready to work with Namibia to further bilateral cooperation of mutual benefit, and reinforce the traditional friendship between the two countries.

He Yong, deputy secretary of the Communist Party of China (CPC)'s Central Commission for Discipline Inspection, made the remarks when meeting with Pendukeni Iivula-Ithana, secretary-general of Namibia's ruling South-West Africa People's Organization(SWAPO).

As this year marked the 20th anniversary of Namibia's independence and the Sino-Namibian diplomatic ties, China was willing to take the opportunities to work with Namibia, and seek common development, He said.

He also briefed Ithana on the CPC's efforts to combat corruption and China's political and economic situation.

Ithana, at the invitation of the CPC, kicked off the week-long visit on May 9.

Namibia is one of the youngest countries in Africa, becoming fully independent on March 21, 1990. It established diplomatic relations with China the next day.

- China, Cambodia seek to strengthen military ties (11th May)

(Xinhua) -- China and Cambodia pledged to strengthen military ties when senior military officials from the two countries met here Tuesday.

Cambodia is China's good neighbor, friend and partner, China's Defense Minister Liang Guanglie told Pol Saroeun, commander-in-chief of the Royal Cambodian Armed Forces.

Liang said recent years have witnessed high-level contacts, a deepening of economic and trade cooperation, productive exchanges in science and technology, and sound growth in military relations between China and Cambodia.

Both countries have also supported each other on major issues concerning their respective core interests, Liang added.

China hopes to make joint efforts with Cambodia to consolidate their traditional friendship, promote reciprocal cooperation, and constantly enrich their comprehensive cooperative partnership, Liang said.

Chen Bingde, chief of the General Staff of the People's Liberation Army (PLA) of China, also had talks with Pol Saroeun Tuesday.

- China welcomes start of indirect Israeli-Palestinian talks (11th May)

(Xinhua) -- China on Tuesday welcomed the start of indirect Israeli-Palestinian talks, urging parties to seek good results.

"China welcomes the start of indirect Israeli-Palestinian talks, which is a positive step toward breaking the 18-month stalemate and reviving the peace process," Foreign Ministry spokeswoman Jiang Yu told a regular briefing Tuesday.

Jiang's comment came after Palestine and Israel on Sunday began four-month proximity talks mediated by the United States.

Since Israel waged military offensive known as "Operation Cast Lead" against Hamas in the Gaza Strip in December 2008, Israeli-Palestinian peace talks have been deadlocked.

Jiang called on both parties to seize opportunities, overcome difficulties and show political will to achieve positive results at an early date.

- China, Caribbean nations pledge to boost pragmatic co-op (11th May)

(Xinhua) -- China and nine Caribbean countries Monday vowed to step up pragmatic cooperation during the fourth consultation between the foreign ministries of the two sides. During the consultation held Monday in Nassau, capital of the Bahamas, they spoke highly of the development of friendship and cooperative relations over recent years between China and nine Caribbean countries -- Antigua and Barbuda, the Bahamas, Barbados, Dominica, Grenada, Guyana, Suriname, Trinidad and Tobago, and Jamaica -- which have diplomatic ties with China.

The two sides also reached broad consensus on boosting pragmatic cooperation in such fields as politics, economy, culture, education and global affairs.

The consultation was jointly presided over by China's Vice Foreign Minister Li Jinzhang and Brent Symonette, Bahamian deputy prime minister and minister of foreign affairs.

A joint press communique was issued after the consultation.

Li started his visit to the Bahamas on Sunday. During his visit, he also met with Bahamian Governor-General Arthur Alexander Foulkes and Prime Minister Hubert Ingraham.

- China expects new UK gov't to carry on good China-UK ties (11th May)

(Xinhua) -- China on Tuesday pledged to work with the new UK government for a stronger strategic partnership.

"We expect the new UK government to take a strategic and long-term view of bilateral relations. We will work closely with the UK side to deepen substantive cooperation and boost the steady and sound growth of the China-UK strategic partnership," Foreign Ministry spokeswoman Jiang Yu told a regular briefing Tuesday.

Jiang's comments came in response to a question regarding the prospects for China-UK relations after Britain's recent general election in which the main opposition party, the Conservative Party, won 307 seats, defeating the ruling Labour party which won 258.

Both parties need the support of the Liberal Democrats, who received 6.8 million votes and 57 seats, to form a government.

British Prime Minister Gordon Brown announced Monday that he would step aside by Labour's annual conference in September.

"We appreciate Prime Minister Brown's efforts to boost ties with China," Jiang said.

Jiang stressed the China-UK strategic partnership has deepened in recent years thanks to joint efforts.

Jiang said China values its ties with Britain and hopes the good momentum of bilateral relations will continue.

As the international situation undergoes profound changes, stronger China-UK cooperation will serve the interests of both countries and peoples, and help achieve regional peace, stability and prosperity, Jiang added.

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Senior Chinese official vows closer ties with overseas religious circles (12th May) (Xinhua) -- China's most senior political advisor, Jia Qinglin, Wednesday said the government would strengthen exchanges and cooperation with overseas religious circles to promote world peace.

"Sticking to the principle of independence and self-governance, we support the country's religious circles to promote exchanges abroad on the premise of equity and friendship," said Jia in a meeting with leaders of the Asian Conference of Religions and Peace (ACRP), who are here to attend the 2010 ACRP executive meeting.

China's religious circles have conducted friendly exchanges with the ACRP, founded in Singapore in 1976, and the Asian religious circles in recent years, contributing significantly to understanding between the peoples of Asian countries and to the region's peace, development and cooperation, said Jia, chairman of the National Committee of the Chinese People's Political Consultative Conference.

China's religious circles have always enthusiastically taken part in charity work, and the government highly appreciates their efforts to promote economic and social development, said Jia.

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U.S. to cooperate with China on economic recovery, green technology (12th May) (Xinhua) -- The United States wants to work with China to expand the global economy and promote the development of the green economy, said a U.S. Commerce Department official Wednesday in Beijing.

Cameron Kerry, General Counsel of the U.S. Department of Commerce, said at a news briefing at the U.S. embassy that the two countries faced an important time in their relations.

"My visit here this week is an appetizer in the banquet of events between the U.S. and China."

According to U.S. Commerce Department, Commerce Secretary Gary Locke will lead the first cabinet-level trade delegation to China next week to promote exports of leading technologies as part of President Barack Obama's state export plan to increase U.S. employment.

The department said the mission was intended to promote exports of leading U.S. technologies related to clean energy, energy efficiency, and electric energy storage, transmission and distribution.

The two sides would also exchange views on issues such as trade and the investment environment, innovation and the protection and enforcement of intellectual property rights, said Kerry.

Locke will also attend the economic track dialogue of the second round of Sino-U.S. strategic and economic dialogue in Beijing in late May.

Twenty-four U.S. companies will join Locke for the China leg of the trade mission. The delegation will stop in Hong Kong, Shanghai, Beijing, and Jakarta.

- Closer relations with China a top priority for Denmark: FM (12th May)

(Xinhua) -- Danish Foreign Minister Lene Espersen said here Tuesday that developing closer relations with China is a top priority of Denmark.

Speaking on the occasion of the 60th anniversary of the establishment of diplomatic relationship between China and Denmark, Espersen said the bilateral relations now are strong, on the right track and developing rapidly.

Espersen attended receptions held in the Chinese embassy in Denmark marking the event, saying the 60th anniversary is "an important milestone" for both countries.

She spoke highly of China's achievements over the past decades.

China has truly played an increasingly important role on international affairs, such as climate change, financial stability, regional conflicts and trade, she said.

She said that although the two countries have different political systems, they have developed relations based on mutual respect, making it possible for them to address difficult issues in a constructive manner.

Denmark was among the first Western nations to establish diplomatic ties with the People's Republic of China -- on May 11, 1950.

Chinese Ambassador to Denmark Xie Hangsheng said that the frequent exchange of high-level visits has been conducive to increasing mutual political trust and understanding between the two countries.

He also said that the two countries share similar views on many international issues and have enjoyed smooth cooperation within the framework of the United Nations, the Asia-Europe Meeting (ASEM) and other international mechanisms.

The Danish Ministry of Foreign Affairs also held receptions on Tuesday to celebrate the 60th anniversary of the establishment of Sino-Danish diplomatic ties.

- China-Japan relations enjoy continuous improvement, says Premier Wen (12th May)

(Xinhua) -- Chinese Premier Wen Jiabao Wednesday said Sino-Japanese relations are continuously improving and developing.

"This lays an important political foundation for the two sides to jointly cope with the international financial crisis and increase cooperation," Wen said when meeting with a delegation of the Japan Business Federation.

Wen hailed the important contribution of China-Japan economic and trade cooperation in promoting economic growth of the two nations and East Asia at large.

He said the acceleration of economic restructuring, changing development modes, and achieving sustainable development were common issues for China and Japan, and this was a challenge and opportunity as well for economic and trade relations.

Wen hoped the businesses would increase cooperation in energy saving, environmental protection and new energies.

Members of the Japanese delegation said Japan was glad to see the strategic and mutually beneficial direction of bilateral ties.

China's economy first broke away from the impact of the international financial crisis and had maintained rapid growth. This offered favorable conditions for deepening Japan-China economic and trade cooperation, they said.

They hoped to learn more from China's development strategy, and work with China to increase personnel exchanges and strengthen coordination at bilateral and regional levels, in a bid to promote Asian economic integration and world economic recovery.

The federation groups most of Japan's leading companies, industrial associations and regional economic organizations.

- Ramesh reprimanded for China remarks, but likely to stay (13th May)

Hours after he met Home Minister P Chidambaram as a peace offering, sources in Jairam Ramesh's party say that while he has been reprimanded, he will not be asked to exit the government for now.

Ramesh has, instead, been told by the Congress high command to stop speaking out of turn, and to "stay within party limits."

In China last week, Ramesh, who is the Environment Minister, said Chinese companies looking to enter India were being met with "alarmist" and "paranoid" policies of the Home Ministry.

An unhappy Chidambaram wrote to the Prime Minister about Ramesh's remarks. Ramesh was reprimanded by the Prime Minister and Sonia Gandhi for speaking out of turn. The Congress also publicly censured him.

Ramesh met Chidambaram on Wednesday evening for ten minutes in what was seen as a make-good attempt.

What has some speculating about his role in the Cabinet is that Ramesh's term in the Rajya Sabha expires in June. He has to be re-nominated as an MP to stay on as a minister. Also, the government is expected to reshuffle the Cabinet after its one-year anniversary later this month.

The BJP has asked for Ramesh to be fired, attacking him for working as a lobbyist. The Opposition justifies that allegation because Ramesh's remarks in China were made in the context of the attempts of a Chinese company, Huawei, that wants to import and install telecom equipment in India.

In addition to comments that could be seen as pushing the agenda of one corporate,

Ramesh left the government in the embarrassing position of having its policies criticized abroad, a practice avoided even by Opposition leaders.

<http://www.ndtv.com/news/india/ramesh-reprimanded-for-china-remarks-but-likely-to-stay-25203.php?u=1147&cp>

- China congratulates Philippines over general elections (13th May)

(Xinhua) -- China on Thursday congratulated the Philippines on the smooth conduct of its the general elections.

Foreign Ministry spokesman Ma Zhaoxu made the remarks at a regular press conference, saying China sincerely hopes the Philippines will maintain social stability and economic development, with its people leading peaceful and prosperous lives

"China is ready to work with the Philippines to continuously push forward bilateral relations," Ma said.

The Philippines on Monday concluded its national elections, which are held once every six years.

- China-Arab ties to be promoted through ministerial meeting: foreign ministry (13th May)

(Xinhua) -- China believes the fourth ministerial meeting of the China-Arab States Cooperation Forum will play a positive role in promoting ties between China and the Arab States.

Foreign Ministry spokesman Ma Zhaoxu made the remarks Thursday at a regular press conference.

The meeting, with the theme of "Deepening All-Round Cooperation for Common Development," opened in Tianjin on Thursday.

Ma said Chinese President Hu Jintao would meet with the delegates Friday, while Premier Wen Jiabao would attend the meeting's opening ceremony and deliver an important speech Thursday afternoon.

The broad and in-depth discussions were expected to cover China-Arab states relations, forum building, practical cooperation and international and regional issues of common concern.

It is the second time the ministerial meeting has been held in China since the forum was established six years ago.

- Meles hails ties between Ethiopia and China (13th May)

(Xinhua) -- Ethiopian Prime Minister Meles Zenawi on Wednesday hailed ties between his country and China, saying people to people, government to government and party to party relationship between the two countries is gaining momentum.

The remarks came after Meles met with Yan Li, the mayor of China's Suzhou city, who leads a Chinese delegation here for a visit.

The Ethiopian prime minister said his country is desirous of learning more from the advanced industrialization of Suzhou city.

Yan told journalists after meeting with Meles that he had fruitful talks with the Ethiopian prime minister.

"We talked about the long friendship between China and Ethiopia. We also talked about the Eastern Industrial Zone project," Yan said.

The Eastern Industrial Zone, about 35 km south of Addis Ababa, the capital of Ethiopia, is developed by the municipal government of Suzhou.

The mayor also said that as the project is for mutual benefit of the two sides, China would continue providing the necessary support to make the project a success.

Also on Wednesday, the Chinese delegation had discussions with Abadula Gameda, the administration chief of the Oromia Regional state where the project is being carried out.

- Backgrounder: China-Arab Cooperation Forum (13th May)

(Xinhua) -- The fourth Ministerial Meeting of China-Arab Cooperation Forum opened on Thursday in China's northern port city of Tianjin.

The following is some background information about the 6-year-old platform designed to promote exchanges and cooperation between China and the Arab world.

The forum was initiated in the opening years of the new millennium, after China and Arab countries had witnessed a steady growth in friendship and cooperation, generating the need for a new mechanism to fully exploit their cooperative potential and thus further enhance their cooperative relations.

Following years of preparations, China and the Arab League (AL), whose 22 members have all established diplomatic relations with China, formally launched the China-Arab Cooperation Forum in 2004, when Chinese President Hu Jintao visited AL headquarters in Cairo.

The forum is designed to serve as a platform for exchanging views between China and Arab nations and promoting their mutually beneficial cooperation in politics, economy and trade, culture, technology and international affairs.

- China hopes foreign ministers meeting help advance links with Japan, ROK (13th May)

(Xinhua) -- China hopes that the coming foreign ministers meeting between China, Japan and the Republic of Korea (ROK) will help reinforce and advance relations among the three countries, Chinese Foreign Ministry spokesman Ma Zhaoxu said here Thursday.

The foreign ministers of the three countries will hold the fourth official meeting in Gyeongju of the ROK on May 15-16.

The meeting is a prelude to the third summit of the three countries, which is to take place in the ROK at the end of May. According to the Foreign Ministry, China is planning for Premier Wen Jiabao to be at the summit.

Chinese Foreign Minister Yang Jiechi will also attend the meeting, as would his counterparts: the Japanese Foreign Minister Katsuya Okada and ROK Foreign Minister Yu Myung-Hwan.

Ma expressed the wish that the meeting extensively review the development and set goals for cooperation among the three countries.

Ma said he hoped the meeting would consolidate and advance relations among the three countries and push forward the process of East Asia cooperation.

The foreign ministers meeting of China, Japan and ROK was initiated in June, 2007. The latest foreign ministers meeting was held in Shanghai in September, 2009.

- China, Arab world working on new Silk Road (13th May)

(Xinhua) -- The old Silk Road with a history of some 2,000 years has long linked China to the Arab world. A new Silk Road featuring close trade and economic cooperation is now being built by the two sides through their joint efforts.

The fourth Ministerial Conference of the China-Arab Cooperation Forum, which starts in China's northern port city of Tianjin on Thursday, is expected to inject new vigor into bilateral trade and economic cooperation.

PRACTICAL COOPERATION

Sino-Arab cooperation began with economic and trade exchanges. The China-Arab Cooperation Forum was set up in 2004, and now has become an important platform for mutually beneficial economic and trade cooperation between the two sides.

President Hu Jintao said in the early days of the forum that the two sides should deepen their economic and trade exchanges based on the goal of common development.

Arab League Secretary General Amr Moussa also believes there is great potential in the Sino-Arab economic and trade cooperation and more dimensions should be given to the cooperation.

China and the Arab countries are highly complementary in the fields of energy, market, technology and so on. Arab countries have geographical advantages, rich resources and abundant capital, while Chinese companies have mature technology and industry support. Promoting the mutually beneficial Sino-Arab economic and trade cooperation has been high on the agenda of the forum, to which end the two sides have set up a conference between Chinese and Arab entrepreneurs, special economic and trade seminars, and meetings on energy cooperation.

The China-Arab entrepreneur conference, which is hosted in turn by China and Arab countries every two years, has been held three times.

Participants in the conference have held in-depth discussions on the status quo as well as the outlook of the Sino-Arab economic trade cooperation. They also have talked about how to promote trade and investment, and deepen mutual understanding between business circles of the two sides.

Statistics show that before the Sino-Arab Cooperation Forum was set up, the Sino-Arab trade volume stood at 25.4 billion U.S. dollars in 2003, followed by 36.7 billion dollars in 2004. The trade volume soared to 132.9 billion dollars in 2008, achieving the goal of increasing bilateral trade volume to 100 billion dollars ahead of time.

Besides, the two-way investment between China and the Arab countries continued to increase.

In 2003, China's direct investment in Arab nations was merely 17.3 million dollars, but in 2004 that figure jumped to 182 million dollars.

By the end of 2008, the Arab investment in China reached 1.5 billion dollars and the Chinese investment in Arab countries topped 2.65 billion dollars.

China and the Arab countries have also made big headway in construction project contracts and labor services.

TIDING OVER DIFFICULTIES TOGETHER

The global financial crisis which broke out in the summer of 2008 has dealt a heavy blow to the world economy, in which China and the Arab countries also suffered serious shocks.

Arab business leaders said in April 2009 at the Dubai International Financial Seminar that Arab countries lost 2.5 trillion dollars in foreign investment.

In addition, the fall in international oil prices and sluggish internal financial markets have caused Arab countries more than 600 billion dollars.

In face of the financial crisis, China and the Arab countries expressed their determination to tide over the difficulties with joint efforts.

Chinese President Hu Jintao visited Saudi Arabia in February 2009 and called for strengthening coordination and cooperation between China and member states of the Gulf Cooperation Council in the financial area.

He also encouraged two-way investment as a way to respond to the challenges of the international financial crisis.

During the third China-Arab entrepreneur conference two months later in Hangzhou, China, the participants stressed the need to work together to address the challenges and seek development.

Through joint efforts, the two sides effectively stopped the trade and investment downturn and established closer trade and economic ties.

According to official statistics, the trade volume between China and the Arab countries retreated in 2009 because of the impact of the global financial crisis but still reached some 110 billion dollars.

Although the two sides have not yet escaped the impact of the global financial crisis, they have embarked on the road to recovery.

Ben Simpfendorfer, the chief economist of the Royal Bank of Scotland on China, wrote a book called "The New Silk Road" in 2009 to illustrate the links between the Arab countries and China under the new circumstances.

Simpfendorfer said the trade has become the main motivation of the development of bilateral relations, and a new Silk Road makes the China-Arab ties much closer.

There is no doubt that the upcoming fourth Ministerial Conference of the China-Arab Cooperation Forum will inject new impetus into the trade and economic cooperation between China and the Arab countries and will provide a rare chance for observers to look into China-Arab ties.

- China, EU pledge greater co-op in information industry (13th May)

(Xinhua) -- Chinese Vice Premier Zhang Dejiang met Thursday with Vice President of the European Commission for Digital Agenda Neelie Kroes in Beijing, and agreed to enhance cooperation in the information industry.

Hailing the 35-year diplomatic ties between China and the European Union (EU), Zhang said the two sides had enjoyed increasing cooperation since establishing comprehensive strategic partnership in 2003.

The Chinese government attached great importance to the country's information construction, and would work with the EU to expand pragmatic cooperation in information and communications technology innovation, Zhang said.

"This will help promote the healthy growth of China-EU relations," he said.

Kroes applauded China's development achievements, saying the EU valued the cooperation and exchanges with China in the information industry.

- Chinese president appoints new ambassadors (13th May)

(Xinhua) -- Chinese President Hu Jintao has formally appointed six new ambassadors to foreign countries, according to a statement from the Standing Committee of the National People's Congress (NPC) on Thursday.

Hu made the appointments in line with decision made by the NPC Standing Committee.

Min Yongnian was appointed ambassador to Brunei, replacing Tong Xiaoling.

Wei Wei was appointed ambassador to Singapore, replacing Zhang Xiaokang.

Qiu Bohua was appointed ambassador to Papua New Guinea, replacing Wei Ruixing.

Ding Wei was appointed ambassador to Italy and San Marino, replacing Sun Yuxi.

Zhou Li was appointed ambassador to Kazakhstan, replacing Cheng Guoping.

Zhang Beisan was appointed ambassador to Portugal, replacing Gao Kexiang.

- US-China talks to focus on jobs, economy: ambassador (14TH May)

The US ambassador to Beijing said Friday that key US-China talks later this month will focus on jobs and economic vitality as China's "historic economic transformation" stimulates US exports.

"Jobs and economic vitality will be a centerpiece" of the strategic and economic dialogue, Ambassador Jon Huntsman told reporters ahead of US Secretary of State Hillary Clinton's trip to China for the meetings.

The chief US diplomat and Treasury Secretary Timothy Geithner will hold the dialogue with their Chinese counterparts in Beijing on May 24-25 after Clinton spends a couple of days in Shanghai for China's World Expo.

"China is going through an historic economic transformation as they endeavor to create social safety nets that will allow them to move from an export-based system to a more consumer-based system," Huntsman said.

"We're exporting more and more to China," he said.

But Clinton and Geithner will visit amid a still-rumbling row over the strength of China's currency.

Geithner continues efforts to persuade China to let the yuan strengthen against the dollar. Beijing's critics say the Chinese currency is undervalued by as much as 40 percent, making its exports artificially competitive.

Geithner has eschewed boisterous demands from Congress for US sanctions against China for currency manipulation, preferring quiet diplomacy.

But as US unemployment festers and Congress heads to midterm elections later this year, he faces pressure for quick results.

Meanwhile, Huntsman said the two countries have put behind them tension that he said surfaced in the first three months of the year.

Washington angered Beijing in January by approving the sale of 6.4 billion dollars worth of weapons to Taiwan, and again when President Barack Obama met the Dalai Lama, the Tibetan spiritual leader, at the White House in February.

"We went through some months of difficulty and challenge as we sometimes do in the US-China relationship, based on certain decisions made by the US," the ambassador said.

"This is history. We're now moving into what I think is a very different phase of the relationship," he said.

http://www.google.com/hostednews/afp/article/ALeqM5gu3csLLMsCd4WIJ7iCFIen_7mVIQ

- Q+A - What's behind the China-India security dispute? (14th May)

(Reuters) - India's concerns that Chinese telecoms network equipment will compromise national security risks hurting ties between the world's two fastest growing economies.

Below are some questions and answers on what the most recent spat is about and what its implications are:

WHAT PROMPTED THE SPAT?

India's interior ministry and intelligence community have long worried that Chinese equipment may have spying technology embedded that can be used to intercept sensitive conversations and government documents that can endanger national security.

The two companies in focus are Huawei Technologies Co and ZTE Corp, the largest network equipment makers in China.

Huawei founder and Chief Executive Ren Zhengfei is a former People's Liberation Army officer, a past that is seen as giving Huawei close links to the Chinese government, although the company says it is owned by its employees.

A series of attacks on Indian government websites by suspected Chinese hackers also hardened Indian authorities' position on importing potentially sensitive Chinese equipment

Last year, India directed state-run telecoms carrier Bharat Sanchar Nigam Ltd not to procure equipment from Chinese vendors in 15 states that have sensitive land borders.

The Indian government last year banned mobile handsets without a unique identity number for fear they could be used by terrorists. Most of these so-called non-IMEI handsets were Chinese made.

IS THERE A FORMAL BAN ON CHINESE EQUIPMENT?

Indian government ministers and officials have repeatedly denied any country-specific ban; it is mandatory for all Indian telecom carriers to seek security clearance from the telecom ministry before placing a purchase order, Chinese or otherwise.

Ultimately the telecoms ministry asks the interior ministry if it has any concerns regarding security.

Huawei and ZTE, the two big Chinese gear makers, both say they have not received any formal communication from the Indian government regarding the restrictions.

ZTE said it had been told by carriers that certain companies including itself had not qualified in India's security tests.

Equipment of UTStarcom Inc has also not been cleared by the ministry, media reports say. UTStarcom has been focused on Asian markets, with a particular emphasis on China, and recently said it was moving its headquarters to Beijing from California.

Continued

<http://in.reuters.com/article/technologyNews/idINIndia-48500320100514?pageNumber=2&virtualBrandChannel=11732>

- Israel to provide China \$400 mln in loan (14th March)

(Xinhua) -- Israel will offer a preferential loan of 400 million U.S. dollars to China, the Chinese Ministry of Finance (MOF) announced Friday.

Chinese Vice Minister of Finance Li Yong and the Israeli Finance Minister Yuval Steinitz signed the two nations' third fiscal cooperation protocol in Tel Aviv Thursday, said a statement on the MOF website.

The preferential loan provided by the Israeli government would fund health and sanitation projects, agricultural development, education and training, sewage treatment, energy efficiency projects, mitigation of greenhouse gas (GHG) emissions and other high-tech projects.

China and Israel signed the first fiscal cooperation protocol in 1995. Since then, the Israeli government has promised to provide 1 billion U.S. dollars in loans, in which 550 million dollars was in place, involving about 190 projects in 29 provinces, autonomous regions and municipalities.

- Chinese President vows to bolster ties with Arab states (14th May)

(Xinhua) -- Chinese President Hu Jintao Friday pledged to further political, economic and cultural cooperation with Arab states, as they agreed to upgrade bilateral ties to a strategic level.

Meeting in Beijing with Arab representatives to the Fourth Ministerial Meeting of the China-Arab Cooperation Forum, Hu made a three-point proposal on promoting the strategic cooperation relationship, which was forged during the two-day meeting held in the coastal city of Tianjin.

Hu suggested China and Arab states enhance political mutual trust, deepen cooperation on international affairs, support each other on major issues concerning their core interests, jointly cope with global challenges and safeguard the common interests of developing countries.

Hu highlighted the principle of mutual benefit in economic cooperation. He proposed the two sides expand cooperation in trade, investment, energy and infrastructure construction, and in such fields as finance, agriculture, science and technology and environment protection.

Hu proposed the two sides to enhance exchange and cooperation in culture, education, media, youth and tourism sectors.

China firmly supported the peace process in the Middle East, the just cause of Arab states' efforts in working for resumption of legitimate national rights, and supported the proposal of establishing a nuclear-free Middle East, Hu said.

China would work with Arab states to further improve the China-Arab Cooperation Forum so as to speed up the development of ties, he said.

Libyan Foreign Minister Mousa Koussa, also co-chair of the meeting, and Secretary General of the League of Arab States Amr Moussa said the ministerial meeting, in which important consensus was reached, was successful.

Labeling China a "strategic partner" of Arab nations, they said the partnership, along with booming pragmatic trade, economic and humanitarian cooperation, has been solid and vigorous.

They agreed China was playing an increasingly important role in maintaining regional peace and security by supporting the Middle East peace process.

Arab nations would adhere to the one-China policy and support China's peaceful reunification, and work with China in the future development of the forum in a bid to build the strategic cooperation relationship as a model between states.

The forum, initiated in January 2004, has served as a platform for exchanging views between China and Arab nations and for enhancing mutually beneficial cooperation.

- China, U.S. wrap up two-day dialogue on human rights (15th May)

(Xinhua) -- China and the United States wrapped up a two-day dialogue on human rights here on Friday and agreed to hold the next round of dialogue in China next year.

During the dialogue meetings, the two sides briefed each other on new progress made in the field of human rights in their respective countries and had an in-depth exchange of views on issues of mutual concern, including cooperation on human rights at the United Nations, the rule of law, freedom of expression, labor rights and anti-racism, according to a press release by the Chinese delegation.

Both sides shared the view that the dialogue has been candid, open and constructive.

The Chinese side briefed U.S. officials on China's efforts in recent years to promote democracy and the rule of law and improve people's well-being, and stressed that judicial authorities in China will continue, as always, to handle cases according to law.

The Chinese side said China is ready to have further dialogue and exchanges with the United States on the basis of equality and mutual respect so as to increase mutual understanding, narrow differences and expand consensus.

The U.S. side spoke positively of the new progress China has made in human rights, saying that the United States is ready to strengthen dialogue and exchanges with China on the issue.

The two-day dialogue in Washington is the first of its kind between the two countries since the Obama administration took office. The Chinese delegation was led by Chen Xu, director-general of the Department of International Organizations and Conferences of the Chinese Foreign Ministry, while the U.S. side was headed by Mike Posner, assistant secretary of state for democracy, human rights and labor.

Economic front

- Gov't pledges support for FDI (9th May)

China regards all foreign enterprises with operations in the nation as equal with their local counterparts, and the government will make all efforts to assist and support foreign businesses, Ma Xiuhong, vice-minister of commerce, said on Friday.

Ma made the remark during the Symposium for Multinational Companies 2010 taking place in Beijing.

The Chinese government launched guidelines on how to improve the environment for foreign direct investment in early April.

However, during Friday's forum, representatives of some multinational companies operating in the country expressed concern about the implementation of the rules and regulations mentioned in the guidelines.

They also raised a number of issues including intellectual property rights, equal treatment and preferential policies.

"It (the concern) is understandable, but I believe it will disappear gradually as we are all actively considering how to implement the relevant rules," said Ma.

Wang Junfeng, director of the Registration Office of Foreign-Invested Enterprises under the State Administration for Industry and Commerce, told the forum that the authorities will release a number of detailed and supportive proposals and measures tailored for foreign businesses on May 13, in a bid to assist them in strengthening their China-based operations.

(Source: China Daily)

- Green economy needs aid from developed nations: Chinese vice premier (9th May) (Xinhua) -- Chinese Vice Premier Li Keqiang has called for developed nations to assist the developing world in its green economy endeavor by technology transfer, financial assistance and market liberalization.

Green economy offers a new model where people could both protect the climate and develop the economy, said Li at the International Cooperative Conference on Green Economy and Climate Change here Saturday.

Li urged countries across the world to focus on developing new energies and promoting the development of energy-saving and environmental protection industries.

Li encouraged people to live in a more energy-saving and low-carbon way, citing a "green consumption" concept.

He said international cooperation in the framework of green economy and climate change is crucial to the recovery of global economy and the sustainable development of Chinese economy.

With a theme of "Low carbon, New energy and Sustainable development," the conference was organized by the China Center for International Economic Exchanges. The conference has invited leaders, environment officials and entrepreneurs from both China and countries including Brazil, India, Mexico and South Africa.

- China needs reasonable carbon emission quotas to maintain growth: official (10th May) (Xinhua) -- China needs more reasonable carbon emission quotas to buoy the nation's fast economic development amid the progressing industrialization and urbanization, said an official with the nation's top economic planner Sunday. Economic development is still a priority for China as it has to enable the 1.3 billion people to live decent lives, Su Wei, director of the climate change department of the

National Development and Reform Commission (NDRC), said at the International Cooperative Conference on Green Economy and Climate Change.

The "high carbon" characteristic rooted in China's energy structure would not be fundamentally changed in a short term as the development and use of clean energy such as wind and solar power started late in China, he said.

Unreasonable industrial structure and relatively backward industry technology also made China's carbon emission reduction drive difficult, said Su.

But he also said China has stepped up efforts to curb carbon emission since it vowed in last November to reduce the intensity of carbon dioxide emissions per unit of GDP in 2020 by 40 to 45 percent compared with 2005 levels.

Besides setting up an accountability system for energy conservation and emission reduction, and investing more in new energy industries, China has been improving policies related to low carbon development, accelerating research on low carbon and environmental friendly technologies, and expanding international cooperation to contain emissions in some key sectors, according to Su.

With a theme of "Low carbon, New energy and Sustainable development," the conference was organized by the China Center for International Economic Exchanges.

The conference has invited top leaders, environment officials and entrepreneurs from both China and countries including Brazil, India, Mexico and South Africa.

- Official calls for better supervision in China's state-run firms (10th May)

(Xinhua) -- A senior Chinese official has urged the Communist Party's disciplinary and supervisory bodies to improve their work in companies and financial organs owned by the central government.

He Guoqiang, member of the Standing Committee of the Communist Party of China (CPC) Central Committee Political Bureau, made the remark at a meeting in Beijing on Monday.

The CPC Central Commission for Discipline Inspection has issued a guideline to strengthen its supervisory bodies within companies and financial organs owned by the central government.

He, who heads the CPC Central Commission for Discipline Inspection, asked companies and financial organs run by the central government to further implement the guideline and promote the Party's anti-corruption effort.

The Party's disciplinary organs should constantly improve their officials' political loyalty and build up the system for preventing and punishing corruption, He said.

- China to resolve EU fastener trade dispute under WTO rules: official (10th May)

(Xinhua) -- China will conduct consultations with the European Union on the steel fastener trade dispute in line with the rules of the World Trade Organization's disputes settlement system, said an official with the Ministry of Commerce Monday.

China's anti-dumping investigation into carbon-steel fastener imports from the EU was based on Chinese regulations and the assessment of the harm to the domestic industry, said the official.

The remarks came after the EU filed a complaint Sunday against China at the World Trade Organization over Beijing's decision to impose anti-dumping measures against carbon-steel fastener imports, which included self-tapping screws, bolts and gaskets.

Chinese fastener importers were required to pay a deposit to customs based on the margins -- ranging from 16.8 to 24.6 percent -- between the normal value of the products and the alleged dumping price since Dec. 28, 2009.

Initial investigations by the Chinese authorities showed the EU had allegedly dumped carbon-steel fasteners on the Chinese market, which caused substantial damage to the local industry.

The temporary anti-dumping measures were adopted to safeguard the legitimate rights and interests of the domestic producers, the official said.

China started an anti-dumping probe into EU carbon steel fasteners on Dec. 29, 2008, after an application for a probe by the fastener branch of the China General Machine Components Industry Association on behalf of Chinese fastener producers.

- Chinese property stocks likely fall further (10th May)

(Xinhua) -- Chinese property shares may decline further as policy risks have not been fully digested by the market, Monday's China Daily quoted an industry analyst as saying.

Despite signs of a potential rebound last week, the rally was unlikely to be sustainable in the short term and the current low valuations did not necessarily signal a buying opportunity, said Ou Ruiming, an analyst at Guosen Securities.

He said the property sector may continue to fall in the short term because risks in the upstream and downstream companies of the industry have not been fully overcome.

A series of tough policies rolled out by the government caused a dive in share prices of the real estate sector. They included a ban on loans for third home purchases and raising down-payment requirements for second home mortgages.

Many investors fear that the government's aggressive measures to cool the property market could trigger a slowdown in the overall economic growth.

But Jing Ulrich, chairwoman of JP Morgan's for the country's equities and commodities, dismissed such concerns, saying "China's ongoing urbanization process and the massive railway expansion will still support the property sector in the long run."

- China's trade surplus hits \$1.68 bln, down sharply in April (10th April)

(Xinhua) -- China returned to a trade surplus in April on strong exports growth after posting its first monthly deficit in almost six years in March, the General Administration of Customs (GAC) announced Monday.

The GAC figures showed China's exports in April were valued at 119.92 billion U.S. dollars, up 30.5 percent year on year and 6.3 percent from March.

In the same month, the country's imports reached 118.24 billion U.S. dollars, up 49.7 percent year on year, but down less than 1 percent from March, according to the Customs statistics.

China's April trade surplus of 1.68 billion U.S. dollars was down sharply by 87 percent from the same month last year, according to the GAC.

China recorded a monthly deficit of 7.24 billion U.S. dollars in March and posted a trade surplus of 1.68 billion U.S. dollars in April.

Total April external trade rose 39.4 percent year on year to 238.16 billion U.S. dollars.

Li Jian, a research fellow with the Research Institute of the Ministry of Commerce, said China's trade surplus had been falling since the start of the year as a result of faster growth of imports than exports.

"A shrinking trade surplus or even monthly deficit shows China's imports and exports are more balanced," he said. "This is a sign of the healthy growth of China's foreign trade and will help relieve pressure for the yuan revaluation."

In the first four months, exports rose 29.2 percent year on year to 436.05 billion U.S. dollars, while imports surged 60.1 percent to 419.94 billion U.S. dollars, with a trade surplus of 16.11 billion U.S. dollars, sharply down 78.6 percent from a year earlier.

Analysts and officials said as both imports and exports maintained steady growth since the beginning of 2010, the falling trade surplus was "a good sign of more balanced trade situation" for China.

Zhang Xiaoji, a researcher at the National Development Research Center of the State Council, China's Cabinet, said investment and consumption has achieved sustained and rapid growth after China adopted a massive economic stimulus package in the middle of global financial crisis.

"The sustained growth of domestic demand helped fuel the country's strong demand for imports," Zhang said.

Huang Guohua, director of Department of Integrated Statistics of the GAC, expected China's imports volume to maintain strong growth in the coming months as prices of commodities such crude oil and iron ore had rebounded in global markets.

GAC statistics showed China imported 210 million tonnes of iron ore from January to April with an average import price of 100.3 U.S. dollars per tonne, up 27.2 percent year on year.

Price hikes of energy, raw materials, shipping and rising trade protectionism and pressure for China to appreciate its currency would pose challenges for China's exporters, according to a survey conducted by the Ministry of Commerce last month.

Yao Jian, spokesman of the Ministry of Commerce, said last month that China's trade surplus would fall by about 100 billion from last year.

China posted a trade surplus of 196.1 billion U.S. dollars in 2009, down 34.2 percent year on year.

According to the GAC figures for the January-April period, the European Union remained China's largest trade partner, with bilateral trade topping 137.77 billion U.S. dollars, up 34.6 percent year on year.

Trade in January-April between China and the United States, the country's second largest trade partner, increased 25 percent to 107.18 billion U.S. dollars.

Japan outpaced the Association of Southeast Asian Nations (ASEAN) as China's third largest trading partner in the first four months.

Trade for January-April with Japan rose 37.5 percent to 88.66 billion U.S. dollars, up 34.6 percent. In the first four months, China's trade deficit with Japan more than doubled to 17.72 billion U.S. dollars.

China also recorded a trade deficit of 5.87 billion U.S. dollars with the ASEAN bloc from January to April, compared with a surplus of 830 million U.S. dollars in the same period last year.

- China's April industrial production expands 17.8% (11th May)

(Xinhua) -- The growth of China's industrial value-added output was 17.8 percent in April, slightly lower than 18.1-percent increase in March, the National Bureau of Statistics (NBS) announced Tuesday.

The figure was compared with a 7.3-percent growth in April last year, when the national economy was hit hard by the global financial crisis.

Industrial production was stable, expanding relatively quickly in the first four months, the NBS said.

Industrial value-added output rose 19.1 percent from January to April, 0.5 percentage points lower compared with the first quarter this year, the NBS said.

The figure for heavy industries was up 19.4 percent year on year in April, and that for light industries climbed 14.1 percent, it said.

China's industrial value-added output increased only 3.8 percent in the first two months of 2009, a much slower growth pace from a year earlier when it was 15.4 percent. The rate of growth started to accelerate from April last year, highlighting the country's strengthening economic recovery supported by government stimulus measures.

Last month, electricity generation in China grew 21.4 percent to 331.64 billion kilowatt-hours. Crude steel output rose 27 percent from a year earlier to hit 55.4 million tonnes while auto production increased 34.6 percent to 1.6 million units.

China April CPI up 2.8%
China's PPI up 6.8% on year in April
China's retail sales up 18.5% in April
China home prices up 12.8% in April
China's fixed asset investment up 26.1% in first 4 months
China's April industrial value-added expands 17.8%

- China's fiscal revenue up 34% in April (11th May)

(Xinhua) -- China's fiscal revenue in April rose 34.4 percent year on year to 792.6 billion yuan (116.03 billion U.S. dollars), boosted by rising tax revenues and domestic prices, the Ministry of Finance (MOF) announced Tuesday.

The rise was also a result of less consumption tax in the same period last year, said the MOF in a statement on its website.

The government took in 2.76 trillion yuan in revenue in the first four months, up 34.1 percent year on year, said the statement.

The central fiscal revenue topped 1.41 trillion yuan, up 38.9 percent from the same period last year, while local governments raked in over 1.34 trillion yuan, up 29.5 percent year on year.

The nation's consolidated economy had prompted a rapid growth in tax revenues, including sales, import value-added, consumption and vehicle purchase taxes, which were major contributors to the annual increase in the first four months, said the statement.

In the January-April period, China's industrial value-added output grew 19.1 percent year on year, urban fixed asset investment posted a 26.1 percent growth, retail sales were up 18.1 percent, and auto sales surged 61 percent from a year earlier.

The ministry also forecast the fiscal revenue growth rate in May would be lower due to a higher comparison base last May, when fiscal revenue started to rebound as the nation's economy picked up.

- Chinese steel makers to continue investing in Australia (11th May)

Xinhua) -- China's large steel makers, Sinosteel and Anshan Iron and Steel Corp, said they are willing to continue to invest in Australia, despite a 40-percent tax on the Australian mining industry.

"We are reviewing how the tax will impact our companies, and undoubtedly, it will affect costs and profits in our local projects," Tuesday's China Daily quoted Sinosteel president Huang Tianwen as saying.

He said from a long-term perspective the company is still committed to exploring more overseas resources."

Bai Jingpu, vice-president of Anshan Steel, also said the company is evaluating and analyzing the impact of the "super tax" on the Australian mining industry, but the company will continue to invest in the country.

The "super tax" plan was released last week and is expected to start in July 2012. Some Australian mining companies are worried the move will make the nation's mining assets less attractive.

Chinese companies have long wanted to invest in overseas resources to secure raw material supplies and sealed several merger and acquisition deals in Australia last year.

The rising cost of raw materials is also spurring Chinese companies to accelerate the pace of overseas mining acquisitions.

Iron ore imports by China, the largest buyer in the world, grew 11.6 percent in the first four months of 2010 from the previous year, according to data from the Customs office.

- Experts urge Chinese steelmakers to build plants abroad to avoid trade barriers (11th May)

(Xinhua) -- Chinese officials and experts Tuesday suggested the nation's steel producers set up plants abroad to avoid a rising number of international trade barriers.

Opening steel mills in regions with abundant raw materials and strong market demand abroad would be easier than exporting steel products, as it would bring tax revenues and employment to the areas, Jia Yinsong, an official with the Ministry of Industry and Information Technology, said at an international trade fair for the steel tube industry in Shanghai.

China's steel pipe exporters had been frequent victims of protectionism, said Wang Zhenfu, vice director with the Fair Trade Bureau of Import and Export of the Ministry of Commerce (MOC).

Data from the WTO showed China's steel producers were named in 29 trade disputes since 2007, involving products valued at 6 billion U.S. dollars.

The most serious, in which the United States imposed in April anti-dumping duties ranging from 30 to 99 percent on Chinese steel pipes imports used in oil and gas wells, had curbed steel tube exports to the U.S. by more than 80 percent, said Wang.

According to the U.S. Department of Commerce, 37 Chinese firms received a final dumping rate of 29.94 percent, and all other Chinese exporters were subject to a final dumping rate of 99.14 percent.

Wang warned of a risk of losing the U.S. market as the U.S. government was mulling further anti-dumping investigations against Chinese steel pipe exports.

Jia said Chinese enterprises should be aware of the significance of transforming from production exports to capacity exports.

At present, domestic steel enterprises were mainly focused on acquiring mineral resources abroad, but that would become more difficult given global commodity price hikes fueled by a booming market, said Jia.

The costs of energy, raw materials, shipping and rising trade protectionism and pressure for China to appreciate its currency would pose challenges for Chinese exporters, according to a survey conducted by the Ministry of Commerce last month.

Jia said a few of Chinese steel firms, such as Wuhan Iron and Steel Group, had invested in capacity exports. Wuhan Iron and Steel, China's third-biggest steelmaker, announced on April 19 it would team up with Brazil's LLX Logistica S.A. to build a steel plant with an annual capacity of 5 million tonnes in Brazil's Acu Super Port Industrial District.

Besides focusing on the U.S. market, Chinese steel firms should step up efforts to tap into emerging markets such as South America and the Middle East, said Wang.

Chi Jingdong, vice secretary general of China Iron and Steel Association, encouraged domestic steelmakers to learn from Japanese counterparts, who followed automobile manufacturers abroad, providing with matching steel products from their overseas mills.

- Chinese steel makers to continue investing in Australia (11th May)

(Xinhua) -- China's recent measures to cool the red-hot property market had curbed excessive home price rises in some cities, a senior government official said Friday during an online discussion with Chinese netizens.

Qi Ji, vice minister of housing and urban-rural development, said the reaction to the tightening measures was positive -- after local governments implemented the measures in line with the central government's policy.

In April, the Chinese government introduced a raft of tough measures to rein in soaring home prices which grew a record 11.7 percent from a year earlier in March.

The measures included more restrictive down-payment requirements, higher loan rates, a ban on lending for third home purchases and tighter scrutiny of developers' financing.

He said rapid price growth in some cities was mainly because of a shortage of supply as well as "unreasonable demand."

"If not curbed, the excessive gains in prices could spread to more regions, affecting people's living standards and threatening financial safety and even social stability," he added.

He said the government would increase crackdowns on illegal practices by property developers, including hoarding of land and delaying sales to exaggerate profits.

The government would also strengthen checks on developers' land purchases and fund-raising, he said.

He said that the government would seek to increase supply of low-income housing and that a plan regarding construction of such housing for the period to 2012 would be unveiled before the end of July this year, he said.

- Trade surplus plunges, easing pressure on yuan (11th May)

China's trade surplus nosedived 87 percent from a year earlier to \$1.68 billion in April, a drop analysts said will ease the pressure on revaluation of the yuan.

Exports surged 31 percent to \$119.9 billion while imports soared 50 percent to \$118.2 billion. Total trade volume grew 39 percent to \$238.2 billion.

March saw a trade deficit of \$7.24 billion, the first monthly deficit in the past six years.

The trade surplus will continue to narrow in the months ahead due to weak overseas demand, analysts predicted.

"We are highly likely to see trade deficits for May and June because domestic demand will stimulate import growth while global uncertainties, such as the Europe debt crisis, will weaken overseas demand," said Liu Wei, president of the School of Economics at Peking University.

The trend is "good for the stability of China's foreign exchange policy in the short term and will alleviate the pressure to appreciate the yuan", he added.

The Ministry of Commerce said recently that the foreign trade picture will not be very rosy this year because of rising raw material costs, mounting trade protectionism and a grim outlook for global markets.

Yan Jinny, economist at Standard Chartered Shanghai, said the sovereign-debt crisis in Europe, where one-fifth of Chinese exports go, helped ease the pressure on the yuan.

"If not for the Greek fallout, China would have been under bigger pressure," Yan said.

But the pressure will mount after Chinese exports turn robust later this year, analysts said. Exports will see a rebound but import growth will sag when demand for commodities and infrastructure materials decreases in the third quarter, Yan said.

Dong Xian'an, chief economist at Industrial Securities, said the Greek debt crisis is not likely to spread to the whole continent and EU demand for Chinese goods will perk up in the second half.

That will be the time for China to appreciate its currency, which the United States and some other countries believe is undervalued, both Yan and Dong said.

Later this month, the value of the yuan will be at the top of agenda at the second round of the Strategic and Economic Dialogue between China and the US to be held in Beijing.

Chinese leaders have repeatedly asserted that the nation will not bow to foreign pressure. Chinese exporters are now focusing more on the domestic market to avoid being hit by the appreciation.

"If the yuan rises 3 percent, we would reap no profit," said Zheng Rixiao, general manager of Yawin Mechanical and Electrical Equipment Import and Export, an exporter based in Fujian province.

However, currency appreciation "is a matter of time, so we have shifted focus to creating high value-added products", he said.

(Source: China Daily)

- EU's massive bailout to affect China (11th May)

A nearly \$1 trillion rescue package to prevent the Greek sovereign debt crisis spreading in Europe will impact on various facets of the Chinese economy, analysts have said.

The deal agreed earlier on Monday pledged \$670 billion of loans and loan guarantees to any euro zone country needing funds, plus about \$322 billion from the International Monetary Fund (IMF).

The aim is to keep the euro currency being torn apart and derailing the global economic recovery

Markets cheered the news with world stocks rising nearly 3 percent. Global stocks as measured by MSCI were up 2.8 percent with its emerging market-only counterpart jumping more than 3 percent. The euro gained nearly 2 percent on the US dollar.

In China, the benchmark Shanghai Composite Index gained 10.38 points, or 0.4 percent while in Hong Kong, the Hang Seng Index rose 506.35 points, or 2.54 percent, to finish at 20,426.64.

In Europe, oil prices rebounded from last week's 14 percent sell-off, rising to \$78 a barrel. But Chinese analysts said the country faces uncertainties in its overseas financial portfolio, exports, currency policy and exit from the economic stimulus package.

"The rescue package will help the markets regain confidence and alleviate panic about not only the Greek economy, but also other European economies," said Zhang Xiaoji, senior economist with the State Council's Development Research Center.

"The deal will help create a stable economic environment and will help reduce people's concerns that it will lead to a double dip recession in Europe," said Stephen Joske, director of the China forecasting service at Economist Intelligence Unit.

Premier Wen Jiabao told Spanish Prime Minister Jose Luis Rodriguez Zapatero on Monday that China supports action to help Greece overcome its sovereign debt crisis. Spain currently holds the rotating presidency of the EU.

In a telephone conversation with Zapatero, Wen urged countries to coordinate economic policymaking, reform the international financial governance structure, maintain stability of currencies and prevent protectionism.

But it is too early to suggest the European situation has stabilized, said Yu Yongding, head of the China Society of World Economics.

"The Greek crisis fully exposed the weakness of the global economic recovery," Yu, a former member of the central bank's monetary policy committee, told China Daily. "It is hard to predict what will happen next."

The euro will probably remain weak, Yu said, while the dollar will strengthen.

"It will pose a challenge for China's policymakers, who want to diversify the country's overseas financial portfolio," he said.

China's tightening policy "should stay"

China has spent the bulk of its foreign exchange reserves on dollar-denominated assets, such as US treasury bonds. It has been pondering diversifying the structure of investment. "But now it is clear that the euro also has risks," Yu said. "It would complicate China's policymaking."

China's exports are set to suffer, Yu said, since the crisis would be a drag on the growth of Europe, China's largest trade partner. "Growth is no longer the top priority for crisis-hit countries; they have to first repay their debt and convince investors they are capable of doing that."

The impact on China's exports, however, could be limited, said Zhang at the State Council's Development Research Center.

"The weakened euro will affect trade settled in euros, but the majority of China's trade with European countries is settled in US dollars," he said, adding that China's previously announced export target of 10 percent year-on-year growth for this year should not necessarily be changed.

One outcome of the European crisis is that China is facing less pressure for the yuan's revaluation as the US dollar is rising. But the dollar's rise could damage US exports, which US President Barack Obama wants to double in five years.

"Therefore, the US could press harder for the yuan's appreciation to benefit its export sector," Yu said.

China will "improve the yuan's exchange-rate formation mechanism", but the yuan would remain "basically stable", the People's Bank of China said in a quarterly report on Monday.

Yu also said China's current monetary policy, which is tightening, should not be changed despite the external uncertainties brought about by the European crisis. "We should not rush to change it given the excessive money supply growth and high asset prices."

By doing that, he said China's economic growth rate should slow this year.

China International Capital Corporation cut its forecast of China's year-on-year growth for this year to 9.5 percent from 10.5 percent in its report released on Monday, citing the country's tightening measures and external uncertainties caused by the Greek crisis.

(Source: China Daily)

- Experts worry developers won't start new projects in China (11th May)

China's property prices will stabilize in the second quarter of this year due to the government's tightening of real estate policies and attempt to improve imbalances between supply and demand, industry experts said at a forum on Monday.

"In cities that have experienced excessive property price growth, there will be bigger fluctuations in the following three months, but the decrease will differ from city to city," said Nie Meisheng, president of China Real Estate Chamber of Commerce.

However, experts are worried that tightening policies may deter property developers from starting new projects and purchasing land, thereby cutting the supply and pushing up prices next year.

Both central and local governments have launched a string of measures to curb soaring property prices and investment-oriented home purchases, such as raising down-payments and mortgage rates for second and third homes, and even restricting the number of apartments a family can purchase.

Those measures instantly chilled the property market in key cities, with transactions and prices falling. Statistics from the China Index Academy show that among the 35 major cities it monitors, 26 cities saw transactions dip last week, with an average fall of more than 20 percent.

The average price of home deals in the southern city of Shenzhen was 19,271 yuan (\$2,823) per square meter, down 25.44 percent from the previous week, leading to the biggest drop among 35 cities.

Beijing was down 18 percent to 15,707 yuan per sq m, and Shanghai was down 12.2 percent to 13,246 yuan per sq m. Hangzhou, capital of East China's Zhejiang province, however, reported a 49.2 percent increase in transactions and 25 percent growth in price, with the average price reaching 25,409 yuan last week.

Ma Ji, consulting manager at Shanghai Centaline China, said the situation in May looks dimmer, as up to 60 percent of their divisions in Shanghai have reached no deals over the past 10 days.

"We still need another two to three months to watch those policies' exact impact on China's property markets. And we should keep a close eye on the land transactions and prices to evaluate property developers' next moves," Nie said.

According to RIECO, a real estate research institute, property investment grew 35.1 percent in the first quarter and the growth rate is up 15 percentage points over the

previous quarter. The floor space of newly- started residential projects also jumped by 60.8 percent in the first three months of this year.

"If property developers deter construction or stop buying land to save cash for market uncertainties in the second half of 2010, then the market supply for 2011 will largely shrink, worsening the already poor supply-and-demand relations," said Ren Zhiqiang, chairman of Huayuan Property.

In Beijing, for instance, only around 40,000 apartments are currently available for sale, much lower than the typical 100,000 units for sale, he said.

(Source: China Daily)

- China's wealth divide passes warning level: analysts (12th May)

The Gini coefficient - a commonly used measure of inequality of wealth - has reached 0.47 in China, overtaking the recognized warning level of 0.4, government-affiliated experts have said.

"The Gini coefficient in China has been continuously rising after it reached the alarming 0.4-level 10 years ago," Chang Xiuzhe, a researcher with the academy of microeconomic research under the National Development and Reform Commission, was quoted as saying in the Economic Information Daily on Monday.

The brainchild of Italian statistician Corrado Gini, the Gini coefficient, which is a measure of statistical dispersion, is commonly used as a measure of inequality of income or wealth.

A low Gini coefficient indicates more equal distribution, with 0 corresponding to complete equality, while higher Gini coefficients indicate more unequal distribution, with 1 corresponding to complete inequality.

"The gap between the rich and poor has become unreasonable," Chang said.

Li Shi, a professor on income distribution and poverty studies with the Beijing Normal University, said the income of the top 10 percent of the richest Chinese was 23 times that of the bottom 10 percent in the country in 2007, as compared with 1998, when the gap was only 7.3 times.

Some economists believe the widening wealth gap is partly the result of large amounts of "illegal income" resulting from corruption.

According to a 2007 survey conducted by Wang Xiaolu, deputy director of the national economic research institute under the China Reform Foundation, about 4.8 trillion yuan (\$703 billion) of urban income evaded tax and was referred to as "hidden income", the Economic Information Daily report said.

About 75 percent of the "hidden income" belonged to the high-income category, according to the survey, which covered more than 2,000 urban families across the country.

Experts also noted the unreasonable high incomes in "monopoly trades of electronic information, oil, finance and tobacco" and "profiteering trades of real estate, coalmine exploration and securities."

"The income of senior executives in some State-owned enterprises is about 128 times of the average social income," Su Nanhai, director of the labor and wage institute under the Ministry of Human Resources and Social Security, was quoted as saying.

"The gap is about 18:1 between senior managers and common workers in the same listed State-owned enterprises," Su said.

Wei Jie, a professor with Tsinghua University, said monopoly trades should not dominate income distribution.

"It is sad that smart and hardworking people cannot have high incomes if they work in non-monopolized trades," he said.

(Source: China Daily)

- Wage proportion of China's GDP decreasing over years (12th May)

(Xinhua) -- The proportion of China's GDP that goes towards wages and salaries has continued to shrink since 1983, a senior trade union official said here Wednesday.

According to Zhang Jianguo, chief of Collective Contracts Department with the All China Federation of Trade Unions (ACFTU), the proportion of the country's GDP that makes up wages and salaries peaked at 56.5 percent in 1983 and dropped to 36.7 percent in 2005.

"That proportion hasn't changed too much since 2005," Zhang said in an interview posted on the ACFTU's website, adding the proportion of returns on capital in GDP had risen by 20 percent in 27 years ending 2005.

According to a survey released by ACFTU Wednesday, almost one fourth of Chinese employees had not seen a salary rise in the past five years.

Zhang said it was very difficult to promote the capital-labor negotiation system for determining employee wages, the most effective way of increasing workers' salaries.

By 2009, there were a total of more than 1.2 million collective contracts nationwide, covering more than 2.1 million enterprises and 161 million employees.

Low pay, long working hours and poor working conditions were partly to blame for the shortage of migrant workers in areas of the Pearl River Delta and the Yangtze River Delta at the beginning of this year, Zhang said.

When delivering the government work report this March, Chinese Premier Wen Jiabao vowed to reform the income distribution system and gradually increase wages and salaries.

In the first quarter of 2010, seven provinces and municipalities such as Jiangsu, Zhejiang and Shanghai had increased their minimum-wage standards by 10 percent to 17 percent while another 20 provinces planned to adjust their minimum-wage level this year, according to the Ministry of Human Resources and Social Security.

- Interview: UNDP says China shows confidence to balance economic growth, environment protection (12th May)

(Xinhua) -- The Chinese government has set up environmental protection agencies to build capacity with the confidence to balance economic growth and protection of environment, visiting United Nations Development Programme (UNDP) Administrator Helen Clark told Xinhua on Tuesday.

Clark made the remarks in an exclusive interview with Xinhua after a high-level roundtable discussion on Millennium Development Goals (MDGs) and Climate Change held here during her four-day visit to the east African country since Saturday.

"China is also going to be an enormous producer of low-cost, low-carbon technology. The price will come down, which is good for developing countries looking for renewable form of technologies," the former Prime Minister of New Zealand said.

Commenting on China's poverty reduction process, Clark said, " We can learn a lot from what China has succeeded, in particular, in moving people from countryside to the city, a trend of urbanization for the development of the industry and manufacture."

She added that the 2010 Shanghai World Expo, under the theme of "Better City Better Life", is a showcase of incredible city life.

Meanwhile, the UNDP chief also hailed China's efforts to build rural areas into towns and small and medium cities.

On the benefit of China's experience of poverty reduction to African countries, Clark said that the International Poverty Reduction Center in China, based in Beijing, jointly initiated and established by the Chinese government, the UNDP and other international organizations in December 2004, is looking for collaboration by organizing a wide range of activities, and promoting knowledge sharing and South-South learning through organizing a series of training courses, with the overall goal to enhance poverty reduction process and contribute to worldwide poverty reduction.

During the high-level roundtable discussion, Clark stressed the importance of inclusive growth to the issue of poverty reduction in Tanzania to include growth of investment and agriculture, which employes over 70 percent of the country's more than 40 million population.

Meanwhile, Clark called for global partnership, including North- South Cooperation, South-South Cooperation and cooperation with the private sector on the issue of achieving the MDGs and efforts to balance economic growth and poverty reduction.

She also underscored the necessity of Africa's adaption to climate change with a comprehensive strategies.

Climate change is an urgent development challenge with the potential to derail progress towards achieving all eight MDGs in Africa. For instance, droughts in Ethiopia have led to collapsed harvests and food shortages. In Rwanda and Tanzania, longer rainy seasons have led to increased malaria in new areas, according to a UNDP handout.

The Intergovernmental Panel on Climate Change estimates that by 2020, 75 million to 250 million people across sub-Saharan Africa could face water shortages, and rain-fed agriculture could contract by 50 percent in some African countries, it said.

Arriving here on Saturday, Clark is making her trip to four Africa countries, which has already taken her to Mali and Burkina Faso, and will also include a visit to South Africa.

- China's tax revenue rises 33.2% in Jan-April on low comparison base (12th May) (Xinhua) -- China's tax revenue rose 33.2 percent year on year to 2.63 trillion yuan (384.77 billion U.S. dollars) in the first four months of 2010 on the back of China's economic recovery and a low comparison base, the State Administration of Taxation (SAT) said Wednesday.

Value-added, corporate income and business tax revenues rose 13.7 percent, 41.1 percent and 37.9 percent, respectively.

Taxes collected by the central government jumped 34 percent from a year earlier during the period while those collected by local governments increased 31.9 percent.

The SAT attributed the rise in tax revenue to the country's economic recovery and last year's low comparison base, when tax revenues slumped 8 percent year on year amid the global economic downturn.

The increase in revenues also came after an adjustment in tax policy.

In January, China raised the sales tax on certain vehicles to 7.5 percent from 5 percent, bringing a 63.5-percent jump in Jan-April vehicle sales tax receipts.

The government halved the vehicle purchase tax to 5 percent in early 2009 to boost domestic consumption and counter the global downturn.

The government has also strengthened tax collection enforcement in recent years, also accounting for the rise in tax revenue, the SAT said.

- U.S. trade mission to China to seek opportunity of win-win scenarios: Locke (13th May)

(Xinhua) -- U.S. Commerce Secretary Gary Locke said on Wednesday that his upcoming trip to China will aim at seeking the opportunity of win-win scenarios between the two countries.

Forty-six U.S. business executives will join him in China and Indonesia from May 15 to 25 on the first cabinet-level trade mission of the Obama Administration, according to Locke.

"This trade mission is really an opportunity for win-win scenarios for both American companies, their workers here in the United States, as well as for the people and the governments of both Indonesia and China to address their goals of becoming more energy efficient," the top U.S. trade official told reports.

Twenty-four U.S. companies will join Locke for the China portion of the trade mission, and 10 U.S. companies will travel to Indonesia. The delegation will make stops in Hong Kong, Shanghai and Beijing of China and Jakarta of Indonesia.

The Commerce said the mission aims to promote exports of leading U.S. technologies related to clean energy, energy efficiency, and electric energy storage, transmission, and distribution.

Locke, the first Chinese-American commerce secretary, recalled his visits to Shanghai, saying he looks forward to visiting the World Expo hosted in the Chinese coastal metropolis.

"I'm looking forward to going to the World Expo in Shanghai, and I'm very proud that the United States has a pavilion," he said. "I've seen many pictures of some of the pavilions. They look spectacular."

- Most polled say local gov't behind high realty prices (13th May)

More than 80 percent of respondents in a latest survey believe local governments are the major driving force behind soaring property prices.

The latest poll comes amid measures launched by governments at all levels in the past month to stem skyrocketing home prices, which have sparked heated debate.

The survey, released by the social survey center of the China Youth Daily on Tuesday, polled 5,864 people via major online poll site minyi.net.cn.

Fifty-seven percent of those polled held positive attitudes toward the government policies, while 84.8 percent said local governments should be responsible for the high housing prices.

Of those polled, 32 percent were in their 20s, 35.5 percent in their 30s and 20.4 percent past 40.

Governments at various levels received 1.6 trillion yuan (\$234 billion) from land sales in 2009, accounting for about 4.7 percent of last year's GDP, statistics from the Ministry of Land and Resources showed. Sales revenue last year from the housing sector increased by 63 percent over 2008.

Nationwide, local governments cashed in big on land sales, with major cities like Hangzhou, Shanghai and Beijing being the top three, the China Real Estate Index showed. Twenty-seven percent of those polled in the latest survey were confident of the new policies reining in price hikes. Nearly 40 percent of the respondents said the moves will only curb property speculation, while 32 percent said they were not sure where housing prices will head.

"The policy will only cause short-term fluctuations," said a Beijing house buyer surnamed Wang.

Wang bought a house in late March before the new policies rolled out.

"At first, I regretted my move because all the developers said the housing price would drop," Wang said. "Then I found they did not really lower the price."

Property prices in Beijing had a 14.7 percent year-on-year increase in this April, hitting the highest growth rate in 10 months, statistics released by the Beijing Bureau of Statistics showed.

The total area sold fell by 41 percent from that of the same period last year, reaching 1.187 million square meters.

This April also saw a 12.8 percent year-on-year increase of housing prices in 70 cities nationwide, figures from the State Statistical Bureau showed.

Fifty-seven percent of those polled in the survey also said the control policies were inadequate and they were waiting to see more effective ones.

"The point is to stick to the right policies and avoid any relapse," Yi Xianrong, director of the finance institute at the Chinese Academy of Social Sciences (CASS), was quoted by the China Youth Daily as saying.

However, Cao Jianhai, another researcher from the CASS, said there were several reasons that could lead to the rebound of housing prices.

"Although the central bank had been emphasizing on adjusting loose credit policy, the first season of 2010 witnessed 522.7 billion yuan of individual housing loans," Cao said. He also said the new policies lacked supervision on local governments.

"The policy did not specify the land management of local governments," he said.

"That means local governments can still sell land at higher prices."

"Although the policies are good in general, the effect will depend on its implementation by local governments," said Qu Weidong, a professor with Renmin University of China.

(Source: China Daily)

- Chinese premier warns of complications of financial crisis (13th May)
(Xinhua) -- Chinese Premier Wen Jiabao said Thursday that the complication of the global financial crisis with deepening sovereign debt crisis in some nations should not be underestimated.

Wen made the remarks at the opening ceremony of the fourth Ministerial Meeting of the China-Arab Cooperation Forum held in the north Chinese port city of Tianjin.

"We should never underestimate the seriousness and complication of the financial crisis and its deep impact on international politics and the economy," Wen said.

The global economy was slowly recovering, but its foundation was not solid, he said.

Wen blamed the fragile recovery on deepening sovereign debt crises in some countries, high unemployment rates in major economies, high commodities prices and rising trade protectionism.

The international governing system required deep reforms and the global economic structure needed deep transformation, he said.

Wen said reforms of international economic and financial systems should be pushed forward and the establishment of a new just and reasonable international economic and financial order should be accelerated.

"(We) should improve the decision-making processes and mechanisms at international financial institutions and boost cooperation in international financial supervision," he said.

While calling for opposition to all forms of protectionism, support for free trade, Wen said: "it is imperative to advance the Doha Round talks of the World Trade Organization toward achieving reasonable and balanced results as soon as possible."

He urged major economies to transform the economic growth pattern of low savings and high consumption and to strengthen financial supervision to curb excessive speculation.

China would unswervingly carry out its mutually beneficial opening strategy and unveil more measures to facilitate trade and investment, he said.

- China unveils details of private investment support plan (13th May)

(Xinhua) -- China's government has opened a new range of government-run industries to the private sector, either through investment in existing companies or establishment of new firms.

The government also announced Thursday that it would improve financing services and simplify administrative procedures for private sector involvement in those industries.

Water projects, power generation, mining, and logistics -- currently mainly state controlled -- would be opened to the private sector, said a statement on the central government website, www.gov.cn.

The statement also reiterated the opening of sectors announced at a State Council executive meeting in March, including education, welfare, transport infrastructure, telecommunications and energy, public utilities, scientific and technological programs for national defense, affordable housing construction and cultural industries.

Private investors could also participate in the establishment of financial institutions by investing in commercial financial institutions and establishing rural banks, credit companies, credit guarantee companies, and rural fund cooperatives.

Private companies were welcomed to participate in the reform of state firms through assets acquisitions or increasing their holdings in them, the statement said.

The government also restated its support for independent innovation in the private sector, encouraging the development of new products and investment in emerging industries, such as bio-medicine, new energy, environment protection and recycling.

Private companies were encouraged to increase overseas investment by conducting international operations outside China, establishing multinational corporations and developing leading brands.

The government would improve financing services for private companies by strengthening the venture capital investment system, and helping with the financing of private firms through equities and bonds.

The government would simplify administrative procedures by making them more efficient and cutting fees.

It promised to step up efforts to create a good environment for private investment by setting up a sound administrative service system and amending unfavorable laws and regulations in its March statement.

The government would also provide guidance for private investors by reporting industrial trends and latest policies. It also instructed industry associations and chambers of commerce to help with finance, technologies, management, and legal affairs.

Private investment played an important role in creating jobs, boosting domestic consumption and providing impetus for economic development, which would help the country maintain sustainable economic growth, it said.

"State capital should focus on 'key industries' that are crucial to the development of national economy, and government investment focus on sectors important to the national security.....while the other sectors should be wide open to private investment," said the statement.

- China's cultural reform pays off as market assets soar: report (14th May)

(Xinhua) -- China's cultural reform has been paying off as more profitable companies contribute to the market's soaring capital assets, according to a report by the National Bureau of Statistics.

By the end of 2008, the report said, 1,396 cultural groups -- up from 430 in 2004 -- each hit an annual profit of 10 million yuan (1.46 million U.S. dollars).

The figures were based on the bureau's latest research on two nationwide economic censuses in 2004 and 2008.

"In recent years, most of the 'backbone' cultural companies were from fields such as film and TV production, publishing and the Internet, among others," said the report released Friday.

Also, the number of cultural companies increased by 142,900, or 45 percent, between 2004 and 2008. The capital assets added 917 billion yuan, or 50 percent.

Efforts in promoting private sector investment in the cultural sector had achieved obvious results, said the report. The number of private-run cultural groups increased by 130,000, or 78 percent, with capital assets growing 456.9 billion yuan.

The report came as China steps up efforts to boost the reform of the cultural sector and transform most state-owned arts troupes to market-oriented businesses.

The reform has seen 123 state-owned art troupes transformed into market-oriented businesses.

Minister of Culture Cai Wu said last week that by 2012 all state-owned arts troupes should complete the market-based reform. "To develop and invigorate the nation, China not only needs economic power, but cultural power as well," he said.

In addition, the report showed the country's cultural market continued its "relatively fast" development in 2009, with an output equivalent to about 2.5 percent of GDP.

The ratio in 2008 is 2.43 percent.

- China's Ministry of Agriculture urges efforts to ensure summer harvest (14th May)

(Xinhua) -- China's Ministry of Agriculture Friday ordered local departments to strengthen field management to ensure the summer grain output after prolonged extreme weather in some areas.

China faced with a challenging grain situation this summer as persistent cold weather had ravaged major production zones since the winter, which prolonged growing season for wheat and raised the risk of dry hot wind and heavy rains during the harvest time, said Wei Chao'an, Vice Minister of Agriculture.

Wei urged authorities to intensify disaster and pest disease prevention, and to quickly harvest in fine weather.

According to the ministry, China needs to maintain an annual grain output of 500 million tonnes to feed the nation's 1.3 billion people.

China's summer grain output rose six years in a row to top 123.35 million tonnes last year, 2.6 million tonnes more than the previous year. Grain output reached 530.8 million tonnes in 2009, the sixth consecutive year of a growth in grain yield.

- China feels pressure from inflow of capital (15th May)

China is facing increasing pressure from capital inflows due to increasing foreign direct investment and capital brought in by commercial banks, its foreign exchange regulator said on Friday.

But a senior economist from the Chinese Academy of Social Sciences (CASS) argued that such capital inflows are not necessarily "hot money" as many people have suspected; instead, most of them are the result of rising demand from domestic enterprises for foreign currencies.

China's capital and financial account surplus in the first quarter of this year reached \$55 billion, the State Administration of Foreign Exchange (SAFE) said. This was the first time the regulator released quarterly figures on the country's balance of international payments, it said in a statement.

"Pressure from net capital inflows is increasing," said a SAFE official who declined to be named. "But we can't say large capital inflows are definitely hot money," the official said. "The main reason is that there was a big increase in foreign direct investment into China while China's overseas investments declined."

In the first quarter, China's net capital inflows from foreign direct investment rose to \$17.5 billion, up 79 percent year-on-year.

The SAFE official said money sent back by commercial banks from overseas was another major reason. Commercial banks repatriated a net \$15.3 billion compared with an outflow of \$1 billion a year earlier, the official said, adding that the money is mainly used as foreign currency loans to domestic borrowers.

Zhang Bin, a researcher with the Institute of Finance and Banking at the CASS, said the inflows are the result of capital holders aiming to profit from the interest rate gap between China and the United States and the expected yuan appreciation.

The US Federal Reserve has kept the interest rate low, at almost zero, while China's one-year benchmark bank savings rate is 2.25 percent.

Meanwhile, the market expects the yuan to appreciate within this year as pressure from the US is mounting while Chinese policymakers have promised to continue to make it more flexible in accordance with the country's economic conditions.

"Those capital inflows may not necessarily be 'hot money' as defined by many people," he said. "Our research and surveys show that many domestic enterprises have borrowed dollars to either gain from the interest rate gap or hedge against foreign exchange risks (caused by the possible yuan appreciation)."

There could be some speculative capital inflows from international speculators, but the amount should be very small, he said. "It's hard for such money to flow in given China's capital account control."

Wang Xiaoyi, deputy head of SAFE, said earlier this month that foreign speculative capital inflows into China are increasing, which posed a challenge to domestic efforts to control liquidity and rising inflation.

SAFE also said in the statement that capital entering the country reflects the positive view international investors hold toward China's economy.

The central bank "has many tools at its disposal to implement its monetary policy", the anonymous SAFE official said. "The central bank still has room for maneuver to defuse the pressure" from large capital inflows.

(Source: China Daily)

Social front

- Vice premier urges more care for disabled (10th May)

(Xinhua) -- Chinese Vice Premier Hui Liangyu on Monday called for more efforts to speed up the development of services for the disabled, as well as for society to better take care of the disabled.

"The hearts of the disabled should be filled by warm love," Hui said while opening a six-day promotional event at the Life & Sunshine Pavilion at Shanghai Expo Park on Monday.

Hui was accompanied by Shanghai Party Chief Yu Zhengsheng and China Disabled Persons' Federation Honorary Chairman Deng Pufang, among other leaders and representatives for the disabled from both home and abroad.

The pavilion, with the theme: "Better Urban Life for Disadvantaged People," is the first pavilion especially designed for disabled people in the 159 years of Expo history.

- China, India make massive strides to improve slums: UN report (11th May)

(Xinhua) -- The world's most populous nations, China and India, have improved the lives of more slum dwellers than any other country, the UN-Habitat's newly launched State of the World Cities 2010/2011 says.

The report which was launched in Nairobi on Monday night says that the two countries have lifted at least 125 million out of slums between 1990 and 2010.

"China's achievement has been the most spectators, with improvements to the daily conditions of 65.3 million urban residents who were deprived of shelter," the report says.

Proportionally, the report says China's urban population living in slums fell from 37.3 percent in 2000 to some 28.2 percent in 2010, a relative decrease of 25 percent.

Overall, the report finds that 227 million people in the world have moved out of slum conditions since 2000. At the same time, the study also stresses that 55 million new slum dwellers have been added to the global urban population since 2000.

The UN report finds that the number of people living in slums has risen from 777 million in 2000 to 830 million in 2010, and warns that unless urgent steps are taken the number could rise to 900 million in 2020.

- Dynamic China makes example for all developing countries: UNESCO chief (11th May)

(Xinhua) -- The efforts made by China on its course of development has made it a successful example for other emerging countries, the UN Educational, Scientific and Cultural Organization's chief said to Xinhua in an exclusive interview here on Tuesday, four days before her trip to China and the Shanghai Expo.

The UNESCO Director General Irina Bokova will pay a working visit to Shanghai and Beijing from May 16, during which she will have a two-day stop for the Shanghai Expo, which has opened doors to the public on May 1.

"We've seen the efforts of China, which are spectacular in all areas of development ... it also shows that with political will, with the efforts of an entire people to focus on development, it is possible to overcome certain difficulties," she said.

She praised China's "very impressive" development and said China should also share its experience with other developing countries because it "is a good example that can bring millions of people out of poverty by adapting to a globalized world."

Additionally, she encouraged China to engage more into UNESCO affairs in Africa and in Asia on educational domain.

As to the Shanghai Expo, the UNESCO has set up its own pavilion at the Expo site and Bokova herself has personally planned diversified activities, lectures and conversations at the pavilion to provide platforms for idea exchanges with Chinese people and foreign visitors, the veteran diplomat told Xinhua.

The Shanghai World Expo "gives an opportunity for all countries and all organizations to make a sort of communication on their values and their activities," she said, seeing it "a great event for China and for the entire international community."

Bokova is expected to launch a UN report on cultural diversity at the UNESCO pavilion, which is specially designed to focus on material and immaterial cultural heritages, education issues and scientific topics including climate change, water management and etc.

She spoke highly of the great effort made by the Chinese authorities to organize the World Expo in Shanghai.

"I know that the 'motto' of this exhibition is about urban (Better City, Better Life). We already know that 60 percent of the world population live in cities, the figure rises almost all the time. Some projections say that in fifty years there will be 80 percent of the world population live in cities," she indicated.

According to the director general, the UNESCO is seeking answers through its experiences to some difficult issues that are associated with globalization and interconnectability of the world in the fields of culture, science and especially the education.

She underlined that education and personnel training was the key factor to make a nation "competitive" and have "sustainable development."

At last, the UNESCO chief issued a friendly message to China and Chinese people, saying China is a very old nation "with ancient roots very deep into all the culture of humans" and it meanwhile "shows the dynamism and creativity, which are examples for all the world."

"I think China has proved that there are no limits, there is no problem that can not be overcome," she concluded.

- Authorities to give migrant workers skills boost (11th May)

Chen Quanning, a 36-year-old migrant worker from Henan province, was wandering in a crowded employment market in Beijing, disappointed not to find a job paying more than 2,000 yuan (\$293) per month.

But less than 10 meters away from him stood Zhang Songming, holding a board reading "4,000 yuan, for machine operator", but no one appeared to be interested in her offer.

Confusing scenes such as this are expected to become less common in the future after the Ministry of Human Resources and Social Security vowed to train 120 million unskilled migrant workers within five years by taking a variety of measures including offering subsidies to employers.

"There is a pretty clear mismatch in the nation's labor market," said Zhang Juwei, a professor and director of the labor and social security research center at the Chinese Academy of Social Sciences (CASS).

"Many businesses can't find workers but, at the same time, many people can't find jobs either."

"Everybody wants to get a job with higher skills and earn more money, but as you see, employers would rather pay more money to hire mature workers than use the money to train people like me," said Chen.

"If I was given a chance to learn skills like operating machinery on the job, I would take it even if they paid me less (than the normal market level)," said Chen, who moved to Beijing in 1996 but has had few skilled jobs.

According to a survey by the Ministry of Human Resources and Social Security, demand for workers will rise by 15 percent this year compared with last year. In the Pearl River Delta, factories may need at least 2 million more workers to meet demand this year.

Yet employment remains a big headache in China. Around 150 million migrant workers stay in cities to seek employment, said Premier Wen Jiabao in an earlier online chat. Some researchers even said the number could hit 200 million.

China's official registered unemployment rate was 4.3 percent in 2009, but researchers said the overall figure - which includes the rural unemployed laborers - could be more than double that.

Zhang said giving migrant workers more practical training would be an effective solution to the problem of unemployment and help reduce employers' labor costs.

In January, the State Council ordered relevant departments to draw up renewed training plans and build a system of subsidies to improve migrant workers' skills. Meanwhile, it said that training funds would be managed at provincial level.

"We will explore the possibility of direct subsidy to employers and incentives for training institutions to fill in the supply and demand gap," said Yang Zhiming, vice-minister of human resources and social security.

He said the government would make sure every migrant worker experiences training more than once by 2015.

In recent years, direct support to migrant workers such as allocating training coupons has become an important way for the government to promote training programs in rural areas. (Source: China Daily)

- China's detention centers to open to public (12th May)

(Xinhua) -- The Chinese government is to open its detention and re-education centers to public visits from July 1 in a bid to earn public understanding after a string of detainee deaths.

Places open to the public would include detainees' rooms, dining halls and rooms for reading, entertainment, inquests and medical treatment, said a statement released by the Ministry of Public Security Wednesday .

Visitors, including journalists and relatives of detainees, must first apply for permission from local police authorities and show their ID cards or reference letters from their work groups on entry, said the statement.

Administrators of both centers were required to arrange regular visiting schedules for relatives of detainees and meet with them to explain living conditions and solicit opinions on their management.

Visitors could talk with detainees in the presence of the police.

The decision was made "in order to promote harmonious relations between police and the public, to earn public support and understanding for the country's prison management work and to strengthen law enforcement," said the statement.

The move follows a string of deaths in the country's detention houses.

The most recent case occurred in late April when woman detainee Zuo Xiaoqin died after falling from a third-floor window of a police station in east China's Anhui Province.

Zuo had been taken to the police station after allegedly smashing the window of an excavator that had come to demolish her home. She excused herself from police questioning, saying she wanted to use the bathroom, and allegedly jumped from a third-floor window.

- Chinese mainland announces new measures to facilitate cross-Strait travel (12th May)

(Xinhua) -- The Chinese mainland will adopt new measures to facilitate cross-Strait travels, including opening more outlets to issue travel and entry permits to Taiwan travelers, a spokesman said here Wednesday.

Travelers from Taiwan can get travel and entry permits upon arrival at three new air terminals in Tianjin, Ningbo and Jinan starting May 25, Yang Yi, the State Council's Taiwan Affairs Office spokesman said at a press conference here.

The move will increase the number of such terminals in the mainland to 23.

To travel to the mainland, Taiwanese need a travel pass and an exit permit issued by the Taiwan authorities. They are also required to obtain an extra mainland travel pass and entry permit.

According to Yang, public security departments in southern China's Guangdong Province have also been authorized to reissue from May 25 travel passes to those who have lost their documents or whose documents have expired.

Currently, only seven provincial and municipal police departments are authorized to handle this issue.

The travel pass, named "Taiwan Compatriot's Pass to the Mainland," is valid for five years and is similar to the identity card Taiwanese use in the mainland.

"As more and more Taiwan people come to the mainland for making investments, travels, work, study, plus living, the mainland will improve its entry and exit management system based on the needs of Taiwanese people," Yang said.

He also confirmed the mainland's and Taiwan's air service associations would soon hold a meeting to discuss other matters, including adding more direct cross-Strait flights.

Ethnic issues

Environmental front

- Vice Premier encourages meteorologists to improve weather services (9th May) (Xinhua) -- Chinese Vice Premier Hui Liangyu Sunday encouraged the country's meteorologists to improve weather forecasting ability to better serve the country's social and economic development.

Weather forecasting is important in carrying out disaster relief, safeguarding people's life and property security, boosting social and economic development, and coping with global climate change, Hui said when visiting the MeteoWorld Pavilion in the 2010 Shanghai World Expo park.

He urged meteorologists to resort to scientific innovation to constantly improve weather services.

The MeteoWorld Pavilion, built with a white membrane structure, was jointly built by the United Nation's World Meteorological Organization and the China Meteorological Administration. It is the first independent meteorological pavilion in the World Expo history.

Shanghai Party chief Yu Zhengsheng joined Hui in visiting the pavilion.

- CNOOC to focus on deep-water resources exploitation, new energy (10th May) (Xinhua) -- China National Offshore Oil Corporation (CNOOC), China's largest offshore oil producer, is to step up deepwater exploration of oil and gas resources, while developing clean and low-carbon energies, company president Fu Chengyu said Monday. "CNOOC aims to transform its economic development mode via technological innovation. Its exploitation of offshore oil resources will shift from shallow waters to waters as deep as 3,000 meters," Fu said in an interview with Xinhua.

Oceans are estimated to hold about one third of the world's petroleum and natural gas resources and they are likely to replace terrestrial and inshore regions as the world's major depositories of oil and gas resources, according to CNOOC.

CNOOC had invested more than 15 billion yuan (2.19 billion U.S. dollars) in building deep-water drilling vessels, deep-water lifting and pipe-laying barges as well as deep-water geographical survey vessels, Fu said.

Once operational in 2011, such investment would significantly enhance China's capacity to explore and develop deep-water petroleum and gas resources, he said.

In 2006, CNOOC and its partner, Canada-based Husky Energy, discovered China's first deep-water gas field Liwan 3-1 in the Pearl River Mouth Basin located at the eastern region of South China Sea.

Between 2009 and 2010, two more deep-water gas fields were found in the same sea waters by CNOOC and Husky Energy.

The first-stage project of Liwan 3-1 was expected to start production in 2013.

CNOOC also planned to increase its investment in new energy fields, such as wind power and coal-based clean energy, to more than 10 billion yuan (1.46 billion U.S. dollars) in the next three years, Fu said.

The company's wind power plants are under construction on the sea and in areas like Inner Mongolia Autonomous Region, northwest China's Gansu Province, and south China's Hainan Province. It has also begun development of bio-diesel and electric vehicle battery technologies.

Liquefied natural gas (LNG) played an important role in CNOOC's strategy of developing clean, low-carbon energy, Fu said.

The company had signed long-term supply contracts with domestic and overseas partners for 320 million tonnes of LNG, an equivalent of importing 22 billion cubic meters of LNG annually for 25 years.

- Chinese vice premier stresses efforts to fight floods (12th May)

(Xinhua) -- Chinese Vice Premier Hui Liangyu on Wednesday called for more efforts in fighting floods, as many areas in China enter their flood season and southern China grapples with the effects of heavy rainstorms.

Relevant departments must pay high attention and make all-out efforts to fight floods to ensure people's work and life are not affected, Hui said at a national tele-conference on fighting floods and droughts.

China has witnessed abnormal weather conditions this year, with various weather-triggered disasters, according to the meeting. Southern China has experienced heavy rainstorms which triggered huge casualties and economic losses.

Droughts in southwestern China have broken, but some residents and livestock in the seriously-hit areas still have difficulty accessing potable water, according to the meeting.

The meeting required emergency programs be launched timely in times of emergency and more measures be taken to guard against floods and mud-rock-flow landslides.

The meeting also required more patrols of dams or reservoirs be made.

The rainstorms that have pounded southern China since early May had by Wednesday left 86 people dead and 16 missing, according to the Ministry of Civil Affairs.

- Chinese Vice Premier calls for recycling economy promotion (14th May)

(Xinhua) -- China's Vice Premier Li Keqiang Friday called for the development of a recycling economy to improve resource utilization efficiency and protect the environment.

Developing a recycling economy was a significant mission for China, which urgently needed to change its economic growth mode of "high consumption, high pollution and poor recycling," said Li in an inspection tour to a state recycling economy pilot base under ChinaChem Group.

Li said developing a recycling economy would help the enterprises improve product structures, fuel technology innovation and improve competitiveness.

He called for a combination of resource conservation, environment protection and economic efficiency to cultivate emerging "green" industries.

Authorities should transform traditional industries by promoting a clean, efficient and safe production, said Li.

Li also called for more investment in recycling economy development, and implementation of supporting government fiscal, pricing and financial policies.

Regional report

North

Politics

Social front

- China school attacks highlight mental health (14th May)

The signs of trouble should have been clear — the man who launched a deadly rampage through a Chinese kindergarten had been depressed and suicidal for weeks — but his behavior raised no red flags in China's feeble mental health system.

The attack by Wu Huanming, who stormed onto the grounds of the private school in northern Shaanxi province and slashed and killed seven preschoolers and two adults, was the latest of five assaults against schoolchildren in the last two months that have left 17 dead and more than 50 wounded.

Sociologists say the recent attacks reflect the tragic consequences of ignoring mental illness and rising stress resulting from huge social inequalities in China's fast-changing society. At least three of the attackers had prior mental health histories and two committed suicide, including Wu, after the attacks.

Wu had shown signs of depression and psychosis because of worsening illnesses, including diabetes and an inflamed prostate, said Li Zhenfeng, a deputy police chief. Wu had attempted suicide twice and repeatedly told family members of his intention to kill himself, Li said.

"With these factors combined, Wu Huanming decided to take his revenge against others and commit suicide," Li told a news conference.

China's leaders have publicly acknowledged the need to do more. In the first remarks by the communist leadership, Premier Wen Jiabao said there was a need to search for the underlying causes of the violence, in addition to tightening safety measures.

"We are making serious efforts in tackling social tensions, settling disputes and improving local governments' ability to smooth things out," Wen told Hong Kong's Phoenix TV in an interview Thursday.

An editorial in the state-controlled Beijing News pushed for an examination of emerging social problems — such as unemployment, land demolition and widening gap between rich and poor — calling them "the soil that breeds extreme activities of individuals."

Though the causes of the recent attacks remain unclear, experts say China has failed to adequately address the mental health needs of its citizens.

A study in the British medical journal *The Lancet* last year showed that about 173 million Chinese people, or 17.5 percent of the population, have some form of mental disorder, from depression to schizophrenia. The vast majority of those — about 158 million — have never received any kind of professional help.

Mental disorders account for 20 percent of the social, economic and psychological costs of illness in China — but only receive 4 percent of its health care resources, said the report's lead author Michael Phillips, director of the Suicide Research and Prevention Center at the Shanghai Mental Health Center.

In the case of the attackers, there is some evidence of a 'copycat' element, though there was no clear pattern, said Phillips, who is also professor of psychiatry and global health at the U.S.-based Emory University School of Medicine.

"There's reason to believe that they are seriously psychologically disturbed and psychotic," he said. Attacking children shows their "desire to make their statement in the strongest way possible."

All the attackers in recent cases have been men in their 30s or 40s. They all used knives and hammers — unlike in the U.S., guns are tightly controlled in China and obtaining them is virtually impossible.

Some experts have speculated that the attackers sought to target children, society's most vulnerable members, because they cannot vent their frustrations on the government itself.

"It's a revenge-based type of action that is directed against the government," said Borge Bakken, sociology professor and director of the criminology program at the University of Hong Kong.

Psychiatrist Zheng Zhanpei from the Shanghai Mental Health Center said the stigma attached to mental illness in China prevents people from seeking help.

"It's quite common to hear discriminatory remarks like 'insane' or 'lunatic' on TV or other media. Lots of people dare not seek medication because they have concerns that they might be labeled 'mad,' " Zheng said. "They just endure their mental illness until they explode."

<http://www.google.com/hostednews/ap/article/ALeqM5gbb3SvwJW0F1Te35LxNwJdk2UBnQD9FMMQN02>

Economic front

Northwest

Politics

- Bosnia-Herzegovina prime minister visits Xi'an (10th May)
(Xinhua) -- China and Bosnia and Herzegovina had much potential for cooperation in the fields of energy and agriculture, said Nikola Spiric, chairman of the Council of Ministers of Bosnia and Herzegovina, in Xi'an in northwest China on Monday.

Spiric said in his visit to the capital of Shaanxi Province that his country and China already had extensive contacts in infrastructure, road and bridge and telecommunications building.

Shaanxi and Bosnia and Herzegovina had great potential for cooperation, provincial Governor Yuan Chunqing said in a meeting with Spiric, hoping both sides would strengthen partnership in economy, culture and education.

Spiric, on a six-day working visit, is the first prime minister of Bosnia and Herzegovina to visit China since the two countries forged diplomatic ties 15 years ago.

Spiric visited historic sites in Xi'an, including the Ancient City Wall, the Xi'an Museum, also known as the Small Wild Goose Pagoda and the Terra-cotta Warriors as well as a local dairy company.

Social front

- Internet services resumed in Xinjiang (14th May)

(Xinhua) -- Internet services were fully resumed in northwest China's Xinjiang Uygur Autonomous Region Friday, 10 months after a riot in Urumqi on July 5, the regional government said.

The news came as a great relief for the region's 7 million Internet users, some of whom stayed up late in order to surf the net and send messages via QQ and MSN to their friends. In a document released by its press office, Xinjiang's regional government said Internet services were "fully resumed," meaning netizens in Xinjiang were able to browse the web, chat online and put up postings again.

Resumption of Internet services was in line with maintaining stability and boosting social and economic development in Xinjiang, as well as the residents having access to information, the document said.

In an open letter to the public, the Xinjiang regional committee of the Communist Party of China (CPC) welcomed netizens to offer constructive suggestion to the region's development. "Xinjiang relies on the web for further opening."

Tianshan.com, a news website based in Urumqi, reminded netizens to help maintain a "sound and harmonious" online environment in a commentary. "Life is normal again and we're confident of maintaining stability. We'll exploit to the maximum all information resources to bolster Xinjiang's development."

It said Internet users should refrain from posting content that is harmful to stability and national unity.

People in Xinjiang took the Internet service resumption as a sign of the government's confidence and increased social stability in the region.

"It's nearly a year since I chatted with my friends online," said resident Zhou Bing. "Now at last, things are normal again."

The regional government has expressed appreciation for the netizens' understanding and support when Internet connection, international long-distance calls and mobile phone text messages were cut in some areas of Xinjiang after the July 5 riot.

Disruption of communication was aimed at cracking down on the riot quickly and prevent violence from happening again, as the riot was believed to have been orchestrated by separatists via the Internet, text message and long-distance telephone calls.

The riot left 197 people dead and more than 1,700 injured.

The regional government said in March that 198 people had been sentenced in connection with the riot.

Resumption of Internet services in Xinjiang has been a gradual process. Access to two leading news websites, xinhuanet.com and people.com.cn, was restored in December, followed by access to another two portal websites, sina.com.cn and sohu.com, on Jan. 10. Email services were resumed in March. International long-distance calls and mobile texting services have also been resumed gradually.

The central government is rallying nationwide efforts to bolster the development of China's ethnic regions including Xinjiang and Tibet.

Premier Wen Jiabao said in early March that the government would focus on the economic and social development in Xinjiang, Tibet and Tibetan ethnic areas in provinces of Sichuan, Yunnan, Gansu and Qinghai.

The central government is also preparing for a conference on Xinjiang in the first half of this year to boost economic development and long-term stability in the region.

Economic front

Northeast

Politics

Social front

Economic front

Southwest

Politics

- Sichuan Party chief to visit Taiwan in late May as ties warm (12th May)

(Xinhua) -- Liu Qibao, Party chief in southwestern Sichuan Province, is scheduled to visit Taiwan from May 23 to 28, the latest in a series of visits by mainland heavyweights to the island amid warming ties.

Liu, at the invitation of the Kuomintang (KMT), will lead a delegation for exchange activities in the areas of economy, finance, education and culture, Yang Yi, spokesman for the State Council's Taiwan Affairs Office, said here Wednesday.

During his visit, Liu will express thanks to Taiwanese people for their help after the Sichuan earthquake in 2008.

Wednesday marks the second anniversary of the devastating May 12, 2008, earthquake that killed tens of thousands of people.

Liu's delegation will also meet with various Taiwan circles, inspect local enterprises and transport facilities, meet local people, as well as attend cooperation forums and cultural performances, Yang said.

Liu will be the latest in a string of provincial government or Party committee heads to visit the island to seek cooperation, in a sign of increasingly solid cross-Strait relations.

Earlier this month, the governor of China's eastern Fujian Province, Huang Xiaojing, paid a six-day visit to Taiwan to push forward cooperation between the two regions that face each other across the Taiwan Strait.

According to Yang, Fujian and Taiwan reached a number of cooperation agreements through Huang's visit concerning Fujian enterprises' investment in Taiwan and Fujian's purchasing of Taiwanese farm products.

In April, Party chief of central China's Hubei Province, Luo Qingquan, led a one-thousand-strong delegation for a seven-day visit to Taiwan.

Also in April, Shanghai Mayor Han Zheng visited the island to promote the 2010 World Expo.

Social front

Economic front

- Quake-hit Dujiangyan's GDP to grow 15% this year (13th May)

Dujiangyan, a city in Sichuan Province that was ravaged by the 8.0-magnitude earthquake in Wenchuan on May 12, 2008, expects a gross domestic product growth of more than 15 percent in 2010, the Chengdu Daily reported.

With fast development in the past two years after the quake, the city is expecting a fixed asset investment of 18 billion yuan (\$2.6 billion) in 2010, a fiscal revenue growth of more than 20 percent and a 20 percent growth of retail sales.

Despite the earthquake, the city saw a record 9.58 million tourists in 2009, increasing 15.8 percent from 2007; revenue of its tourism industry reached 4.2 billion yuan in 2009, increasing 26 percent from 2007.

With the help of the Shanghai municipal government, Dujiangyan constructed a 100,000-mu (6,700-hectare) eco-agriculture cluster that features kiwi fruit planting and fish-farming and sold the products to the high-end market within China and abroad.

(Source: China Daily)

South central

Politics

Social front

- Chinese wrongly jailed for 11 years given \$96,000 (13th May)

Beijing - A Chinese man who spent 11 years in jail after being tortured into confessing to the murder of a man who wasn't even dead has been given \$96,000 in government compensation, state media reported Thursday.

Zhao Zuohai, 57, received the money Thursday morning from judicial officials in Shangqiu City in central Henan province, the official Xinhua News Agency reported.

Zhao was recently released from prison after the man he was convicted of killing more than a decade ago reappeared in their home village last month.

After his release, Zhao said he had been forced to confess to murder because police had beaten him up during interrogations and made him stay awake for days.

"It was better to be dead than alive," he told the Beijing News.

The incident has raised concerns about torture, which is believed to be widely used by Chinese police in criminal cases.

In 1999, Zhao Zuohai was arrested after another man, Zhao Zhenshang, now 58, disappeared after the two had an argument, according to earlier reports. The two men are not related. He was convicted of murder after a headless body believed to be Zhao Zhenshang was found, state media reported.

Police and court officials are investigating the case and have promised to penalize those responsible for the wrong conviction. Two police officers have been detained on suspicion of torturing Zhao to get him to confess and a third one is at large, Xinhua said.

After he went to prison, Zhao's wife remarried and two of his children were adopted by her new husband. The other two children left home to work as migrant laborers.

China has taken gradual steps to address particular instances of torture. Last year, Beijing pledged to clamp down on inmate abuse, and nearly 1,800 policemen were suspended, according to a report released on the Ministry of Public Security website.

China has also released guidelines that identify specific acts of torture for which police can be prosecuted in an apparent attempt to reign in such abuses.

http://www.portalangop.co.ao/motix/en_us/noticias/internacional/2010/4/19/Chinese-wrongly-jailed-for-years-given-000,630b3036-87c8-4887-b473-b97f692c3368.html

- Judges put on leave over 11-year wrong imprisonment (14th May)

(Xinhua) -- Three judges at a central China court have been put on leave over a wrong conviction that left an innocent man behind the bars for 11 years, authorities said Friday. The three judges, including chief justice Zhang Yunsui, and judges Hu Xuanmin and Wei Xinsheng, were suspended from their duties at the Intermediate People's Court in Shangqiu City of Henan Province after Zhao Zuohai, the alleged murderer, was acquitted on May 9, said Du Jianhua, the court's vice president.

They were put under investigation by a joint panel from the provincial higher court, the intermediate court and the anti-graft authorities in Shangqiu, said Du.

Zhao Zuohai, 57, had spent 11 years in jail when the man he allegedly murdered turned up alive on April 30.

After his acquittal Zhao told reporters he had been forced to confess to murder, as he was beaten up during interrogations and tortured in order to stay awake for more than 30 days. He was sentenced to death with a two-year reprieve by Shangqiu intermediate court. The sentence was later commuted to a 29-year imprisonment.

Local police, court and prosecuting authorities are investigating the case and have promised to penalize those responsible for the wrong conviction.

Two police officers have been detained on suspicion of torturing Zhao to extract confession and a third one is still at large.

When Zhao was in jail, his wife remarried, two of his four children were adopted while the other two left home to become migrant workers.

Zhao got 650,000 yuan (96,000 U.S. dollars) of compensation and an official apology.

Economic front

East

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Economic front

- Shanghai tops China's online shopping market (11th May)

Shanghai has topped the online shopping market in China in terms of purchases and sales turnover, according to an industry report.

The city's residents spent 17.42 billion yuan (US\$2.56 billion) online in the year ended May 1, accounting for 8.67 percent of the total online trade and ranked No. 1, according to the report compiled by Taobao.com, the biggest online business platform in China.

They were also China's biggest online sellers as local online shops sold the most products in value in the period, equivalent to 12.05 percent of the total online trade in the country, the report released Monday said.

Shanghai has 19.21 million permanent residents based on official population data. That meant each local citizen spent 906 yuan annually in shopping online.

"An increasing number of online buyers turned into sellers at the same time while many sellers like to shop online as well. As a result, the cities with strong online purchasing power usually have a larger number of online shops and more trading activities," Taobao.com said in the report.

Among the top 10 biggest traders were all first- and second-tier cities in China, including Beijing, Shenzhen, Guangzhou and Hangzhou.

But the report also noted lower-tier cities in the country's western areas have substantial growth potential in the online shopping market.

(Source: Shanghai Daily)

- Shanghai may impose property tax (13th May)

Shanghai is mulling tough measures, including imposing a property tax on owners of multiple houses, as early as this month in order to cool the overheated real estate market, the official Shang-hai Securities News reported Wednesday.

The draft rules, which are still under discussion and subject to change, include applying existing commercial-use property taxes to owners of multiple residential properties, the newspaper quoted an unnamed source close to the Shanghai municipal government as saying.

Extending existing commercial-use property taxes to owners of multiple residential properties would simplify the legislative process, and property owners would be evaluated by their families' per capita living space, the source said.

If property owners meet the tax-paying threshold, they would pay 0.8 percent of their property's assessed market value annually, the source said.

Detailed rules would be issued as early as this month, the source said. The Shanghai Municipal Housing Support and Building Administration Bureau didn't comment on the rules when contacted by the Global Times Wednesday. Experts said imposing a property tax would be the toughest measure yet to combat property speculators. "The tax measure is aimed at increasing the efficiency of residential property usage, lessening the gap between the rich and the poor, and increasing local governments' fiscal revenues," said Yin Zhongli, a researcher with the Institute of Finance and Banking at the China Academy of Social Sciences. "It is definitely a trend for the whole country in the future."

Media reported in April that China would impose trial property taxes in Beijing, Shanghai, Shenzhen and Chongqing. However, Beijing and Shenzhen did not adopt a property tax in their recently-released local housing market measures. Chongqing mayor Huang Qifan told local media on April 20 that the city had proposed to the central government a plan for a property tax for high-end properties. "Shanghai may be the first city in China to impose a property tax," said Yang Hongxu, an analyst with Shanghai-based E-House China Research Development Institute. "The property bubble is similar in Shanghai, Beijing and Shenzhen, but the Shanghai government faces more pressure due to limited land supply for commercial residential property this year."

Shanghai plans to supply 330 hectares of land for commercial residential property this year, while Beijing plans to supply about 1,250 hectares of land for the same purpose. (Source: Global Times)

HONGKONG AND MACAU

Politics

Social front

- HK to host C40 workshop (12th May)

(Xinhua) -- All C40 member cities have been invited to participate in the C40 Hong Kong workshop on November 5 and 6, Hong Kong's Secretary for the Environment Edward Yau said on Wednesday.

C40 is a group of large cities committed to tackling climate changes. The workshop is jointly organized by the city's Environmental Campaign Committee and Civic Exchange with the Environment Bureau's support, Yau told lawmakers Wednesday, adding that a steering committee has been formed to oversee the preparation work.

Reiterating Hong Kong will follow the national target to cut carbon intensity by 40 percent to 45 percent by 2020, Yau said a consultant will conduct additional modeling work and analysis.

The consultancy recommendations on Hong Kong's action blueprint for dealing with climate change will be made public upon completion of the analysis, Yau noted.

On greenhouse gas emissions, he said the government considers it inappropriate to legislate and stipulate emissions for the two power companies at this stage, as tightening their carbon emissions can only be achieved by changing the fuel mix.

"Changing the fuel mix for power generation involves important and complicated issues such as energy policy and security, stability in power supply and electricity tariff. It requires wider and more in-depth studies and assessments," he said.

- HK's first integrated mental health center opens (14th May)

(Xinhua) -- Hong Kong's first integrated community center for mental wellness was opened Friday, which can serve 450 patients.

The center provides education, training, counseling and outreach services, and will liaise with the Hong Kong Hospital Authority for urgent medical consultations.

Opening the center Friday, Hong Kong's Secretary for Labor and Welfare Matthew Cheung said a pilot one-stop integrated service was launched in March last year in Tin Shui Wai, the New Territories to enhance support for former mental-illness patients and their carers.

Given the wide public acceptance and support for the new model, he said 70 million HK dollars has been allocated this financial year to expand the integrated service model to all districts.

Also an additional 6 million HK dollars has been set aside to recruit 14 additional psychiatric medical social workers to support the hospital authority's Recovery Support Program for newly discharged psychiatric patients, he added.

Economic front

- Macao's non-resident workers exceed 72,000 in Q1 (10th May)

(Xinhua) -- There were a total of 72,843 non-resident workers at the end of the first quarter of this year, which was 2,062 less than the previous quarter, according to the figures released on Monday by Macao's Statistics and Census Service (DSEC).

Aside from non-resident workers, local population remained stable at 542,400 in the period which were similar to the figures at the end of 2009.

In the first quarter of 2010, a total of 1,948 individuals were authorized to reside in Macao in the period, down by 1,018 quarter- to-quarter, while 250 illegal immigrants were repatriated, according to the DSEC.

- Gold price opens higher in Hong Kong (12th May)

(Xinhua) -- The gold price in Hong Kong went up 137 HK dollars to open at 11,345 HK dollars per tael on Wednesday, according to the Chinese Gold and Silver Exchange Society.

The price is equivalent to 1,225.32 U.S. dollars a troy ounce, up 15.03 U.S. dollars at the latest exchange rate of one U.S. dollar against 7.772 HK dollars

- Hong Kong stocks end up 1.04% (13th May)

(Xinhua) -- Hong Kong stocks ended 209.97 points higher Thursday, or 1.04 percent, to close at 20,422.46, tracking gains on Wall Street overnight.

The benchmark Hang Seng Index opened higher at 20,411.55 and fluctuated between 20,526.58 and 20,273.99 before closing the day's session.

The turnover totaled 62.43 billion HK dollars compared with Wednesday's 57.96 billion HK dollars.

The Hang Seng China Enterprises Index rose 219.41 points, or 1.91 percent, to close at 11,729.71.

All four sub-indices went up, with the utilities sub-index gained most, rising 1.63 percent, followed by the properties, 1.49 percent, the commerce and industry, 1.30 percent, the finance, 0.67 percent.

Heavyweight HSBC, bucked the uptrend, losing 1.03 percent to 76.75 HK dollars. Its local unit Hang Seng Bank ended flat at 107.90 HK dollars. China Mobile added 0.13 percent to 75.75 HK dollars.

Chinese mainland lenders ended higher. Bank of China rose 1.52 percent at 4.00 HK dollars. China Construction Bank up 0.79 percent to 6.36 HK dollars. Bank of Communications gained 1.95 percent at 8.35 HK dollars. ICBC ended gained 1.6 percent to 5.73 HK dollars.

As for local developers, Cheung Kong, the flagship of Hong Kong's richest man Li Ka-shing, rose 1.14 percent to 92.85 HK dollars. SHK Properties, the leading residential housing developer in Hong Kong, rose 1.07 percent to 104.10 HK dollars. Henderson Land retreated 0.21 percent to 46.50 HK dollars.

PetroChina rose 1.37 at 8.89 HK dollars, offshore oil producer CNOOC up 0.77 percent at 13.16 HK dollars. Sinopec went up 1.84 percent at 6.09 HK dollars. (7.77 HK dollars = 1 U.S. dollar)

- Macao's hotel occupancy rate at 78.2% in March (13th May)

(Xinhua) -- Macao's visitor arrivals in package tours decreased by 7.7 percent year on year to 510,679 in March 2010, according to the figures released on Thursday by the city's Statistics and Census Bureau.

The figure showed that visitor arrivals in package tours in March from Chinese mainland (355,300) and Taiwan (25,225) dropped by 18.8 percent and 5.9 percent respectively, while those from Japan (27,581) and Hong Kong (21,196) rose by 55.9 percent and 6.3 percent respectively. Moreover, visitors from the Republic of Korea (14,173), India (6,530) and Vietnam (5,924) also registered notable increase.

In the first quarter of 2010, visitor arrivals in package tours increased by 4.6 percent year on year to 1,433,956, the figure showed.

Meanwhile, the number of local residents traveling outbound in package tours in March increased by 8.8 percent year on year to 18,494. The Chinese mainland, Hong Kong and Japan were the most popular tour itineraries, according to the Bureau.

- Macao's visitor per-capita spending up 9% in Q1 (14th May)

(Xinhua) -- The per-capita spending of visitors in Macao increased by 9 percent year-on-year to 1,783 patacas (225.6 U.S. dollars) in the first quarter of 2010, according to figures released Friday by Macao's Statistics and Census Service (DSEC).

Among the visitors, the per-capita spending of those from the Chinese mainland took the lead at 2,826 patacas (357.7 dollars), while those from Southeast Asia, China's Hong Kong and Taiwan amounted to 1,727 patacas (218 dollars), 1,135 patacas (143 dollars) and 1,056 patacas (133 dollars) respectively, the figures indicated.

The visitors' per-capita shopping spending grew by 35 percent year-on-year to 886 patacas (112 dollars), with expenses on jewelry and watches, local food products and clothing sharing 21 percent, 21 percent and 19 percent respectively.

Meanwhile, the average length of stay of visitors shortened by 0.1 day to 1.0 day over the period, with the Chinese mainland visitors staying at an average of 1.1 days.

Compared with the first quarter of 2009, per-capita spending of tourists rose by 24 percent to 2,880 patacas (364 dollars) in the period and that of same-day visitors went up by 43 percent to 703 patacas (89 dollars).

SUMMARY OF BOOKS REVIEW

A review of the books "China Shakes the World: A Titan's Breakneck Rise & Troubled Future--& the Challenge for America," by James Kynge and "China: The Balance Sheet;

What the World Needs to Know Now About the Emerging Superpower," by C. Fred Bergsten, Bates Gill Nicholas R. Lardy, and Derek Mitchell are presented.

In his book James Kynge explains how economic growth of China is affecting far away events in the world. He acknowledges that China also has its own problems and that there could be trouble ahead, but his enthusiasms are with Chinas achievements

The authors of "China: The Balance Sheet; What the World Needs to Know Now About the Emerging Superpower," focus their study on fundamental questions about Chinese development and its growing economy. The answers to these questions bring out the complexities of Chinese development and pros and cons of their rapidly growing economy. The book also discusses whether US can or should encourage china's advancement.