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## Chinese, US textile companies share worldview

By AMY HE in New York  
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The Chinese and American textile industries are collaborating more closely than ever as the US becomes a "key player in the international strategy" of China's textile companies, said Xu Yingxin, vice-president of the China National Textile and Apparel Council.

"The United States is not just a key trading partner with China in the textile industry; it is also a key player in the international strategy of China's textile industry," Xu said on Monday at the opening ceremony of the 18th annual China Textile and Apparel Trade Show at the Jacob K. Javits Convention Center in New York.

Chinese businesses have made greenfield investments in the US, set up US branches and opened R&D facilities and manufacturing plants for chemical fiber, cotton textiles and original design.

"All these cooperation channels have shown that there is a great potential for practical cooperation and complementarity in China and the United



Officials and guests at a ribbon-cutting ceremony at the opening of the 18th annual China Textile and Apparel Trade Show at the Javits Convention Center in New York. Among them are Zhang Qiyue (fifth from right), Chinese consul general of New York; Xu Yingxin (center), vice-president of the China National Textile and Apparel Council; Detlef Braun (fourth from right), member of the executive Board of Messe Frankfurt; and Olaf Schmidt (third from right), vice-president of textiles and textile technologies at Messe Frankfurt.

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States, and big promises for win-win cooperation in the future," he said.

This year's textile show

— organized by the China National Textile and Apparel Council (CNTAC), the China Council for the Promotion of

International Trade, Specialized Textile and Apparel and Messe Frankfurt — features nearly 1,000 designers from 14

countries and will run through Wednesday. About 650 Chinese companies attended. Textile companies from Suzhou, at

the center of textile and apparel production in China, have their own exhibition area at the Javits Center.

"Today, China is the US' largest trading partner—our bilateral trade, bilateral investment, and people-to-people exchanges have all reached historic highs, and in this connection, I think the textile industry has made big contributions to this growth," said Zhang Qiyue, Chinese consul general in New York.

"The textile cooperation has not just brought tangible benefits to our two peoples, it has also contributed to global economic growth," she said.

Nicholas Zhou, sales representative for Aiyimei, said that the company has participated in the textile show for several years, having secured many of its clients through the trade event.

The company, based in Ningbo, East China's Zhejiang province, designs and manufactures outerwear, dinner jackets and other formal wear for US and Europe-based clients, including Jones New York and Andrew Marc.

"We feel that more Western

clients are taking interest in our designs — the newer, trendier and unique designs," he said.

Zhou said that the industry is a tough one to work in now, as it recovers from a worldwide slump the past few years.

"We work with smaller brands now, collaborating with them directly, like with Jones New York and Andrew Marc. The clients may order less product, but the prices of the pieces are higher, and so we're earning more profit," he said.

China Textiles Development Center, based in Beijing, is a new participant to the textile show. It produces formal and athletic wear for mostly European clients, though it is exploring the US market right now.

"We're newcomers to the exhibition, so we haven't received a lot of feedback yet," said Lydia Zhang, vice-president of the center. "Through participating in this exhibition, we want to better understand the US market and to expand from there. In this industry, the big companies have a pretty fixed customer base, so you can't just come in and expect to expand immediately."

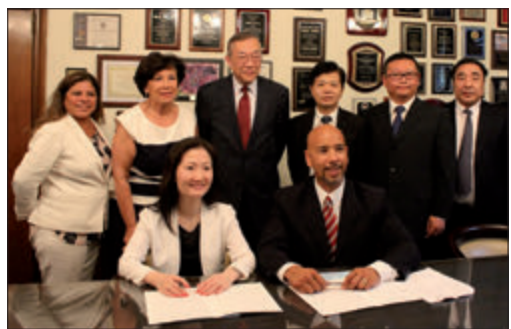
## Songjiang making 'friends' in the Bronx

It could be the beginning of a whole new Bronx tale.

Long Wanli, deputy district mayor of the Songjiang district of Shanghai, visited the Bronx, New York on Monday to sign a friendship agreement with Borough President Ruben Diaz. The two sides agreed to promote partnerships focusing on healthcare and education.

The agreement will foster bilateral investments not only on the government level but privately owned companies will also be encouraged to seek investment and business expansion opportunities overseas.

"Our district has about 2 million people," said Long, introducing Songjiang to Diaz. "Our GDP is \$15 billion with a year-to-year growth rate of more than 3.5 percent."



Long Wanli, deputy district mayor of the Songjiang district, signs a friendship agreement with Bronx Borough President Ruben Diaz on Monday. RUINAN ZHANG / FOR CHINA DAILY

"This is the foundation of our investment in health, education and cultural infrastructure," Long added.

The delegation visited the Montefiore Hutchinson Campus for Ambulatory Surgery Center, the Albert Einstein

College of Medicine and the New York Botanical Garden, all in the Bronx.

"Montefiore is a giant in the healthcare sector," said Diaz, "and they are one of the largest employers in the city."

"The Albert Einstein College is second to none in medical studies," Diaz said, adding that the school is research-intensive and dedicated to innovative biomedical investigation.

Diaz also pointed to the amount of scientific research going on at the botanical garden, including herbal medicine studies, "which we could learn more about from China," he added.

"Our government pays close attention to healthcare and the pharmaceutical industry," said Li Zheng, director of Shanghai

Municipal Songjiang district commission of health and family planning. "We hope this agreement can bring advanced medical technology from the Bronx to Songjiang and improve our bilateral partnership in healthcare."

"We will focus on their leading-edge facilities and technologies during our visit this afternoon," Li said.

"It's very historic and important," said Diaz. "I'm proud to be part of this agreement. We hope it will bring more tourism, exchanges and hopefully it will translate to more jobs for the Bronx."

Ruinan Zhang in New York contributed to this story.

CHINA DAILY

## Eye hospital plans expansion in US

By PAUL WELITZKIN  
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A doctor who is a native of China has partnered with one of the mainland's largest hospital chains to open clinics in the US.

China's Aier Eye Hospital plans to enter the American market this year and has a long-term goal of opening eye clinics across the country. Dr Ming Wang of the Wang Vision Institute in Nashville will serve as the CEO of Aier-USA.

"(The) Wang Vision Institute has just become the first Aier Eye Clinic in the (US) so this year we are getting set up," Wang said in an email. "Our plan is start looking at (another) site in 2018."

Wang said the Aier Eye Clinics in the US will perform 3D laser vision procedures, including cataract surgeries and LASIK, a surgical procedure that uses a laser to remove corneal tissue to correct nearsightedness and farsightedness.

Wang, who was born in Hangzhou before coming to the US, said Aier has a successful track record in China built by starting out in the rural areas where the need was the greatest.

"Our Aier-USA may start by looking into the rural areas of the US as well, and we are also looking into medium and large cities. Our model is to grow through merger and acquisition and also build from the ground up if needed," he said.

Startup capital will come from the Aier Eye Hospital in China which has put \$50 million into Aier-USA, according to Wang. Aier is

currently the world's largest eye hospital group with 253 locations in seven countries.

Wang said that most US eye care clinics are currently small-scale

operations run by individual private practitioners.

With the need for expensive technology and an ability to absorb the rising cost of marketing and business operations, many of those practices may be ripe for a consolidator like Aier with its experience of running a large eye practice that can take advantage of the economies of scale, he added.

Even though the US already has an established network of clinics and hospitals that perform these procedures, Wang believes that Aier possesses a track record of success to build on.

"Aier has had a successful experience of building and running the world's largest eye-care group. We understand that (the) US and China are different in many ways and we need to do things the American way here in the US," Wang said.



Ming Wang, of the Wang Vision Institute in Nashville

## US: trade deficits key to renegotiating NAFTA

WASHINGTON — The United States on Monday launched the first salvo in the renegotiation of the 23-year-old North American Free Trade Agreement (NAFTA), saying its top priority for the talks was shrinking the US trade deficit with Canada and Mexico.

In a much-anticipated document sent to lawmakers, US Trade Representative Robert Lighthizer said he would seek to reduce the trade imbalance by improving access for US goods exported to Canada and Mexico under the three-nation pact.

For the first time in a US trade deal, the administration also said it wants "appropriate" provisions to deter currency manipulation by trading partners. The

move appeared aimed at future trade deals rather than specifically at Canada and Mexico, which are not considered currency manipulators.

The 17-page document asserted that no country should manipulate its currency exchange rate to gain an unfair competitive advantage, an often-cited complaint about China in past years.

Shortly before the release of the document, President Donald Trump lashed out against trade deals and unfair trade practices, saying he would take more legal and regulatory steps during the next six months to protect American manufacturers.

Canadian Minister of Foreign

**The first bullet point shows their preoccupation with bilateral trade deficits ...**

Chad Brown, senior fellow, Peterson Institute

Affairs Chrystia Freeland said the US list was "part of its internal process" although a source familiar with Canadian government thinking said

the document was "not earth shattering."

Trade experts have argued that shrinking the yawning US trade deficit will not be achieved by revising trade deals but rather by boosting US savings.

"The first bullet point shows their preoccupation with bilateral trade deficits, and that's unfortunate," said Chad Brown, a senior fellow and trade expert at the Peterson Institute for International Economics. "There's not much that trade policy and trade agreements can do to change those. That's more of a macroeconomic issue."

Among the priorities, Lighthizer said the administration would seek to eliminate a trade dispute mechanism that has

largely prohibited the United States from pursuing anti-dumping and anti-subsidy cases against Canadian and Mexican firms.

There was no mention of active disputes between the United States and Canada over softwood lumber and dairy products, but the document targeted a range of agricultural non-tariff barriers, including subsidies and unfair pricing structures, that are currently at the heart of those standoffs.

NAFTA has quadrupled trade among the three countries, surpassing \$1 trillion in 2015, but the US trade deficit with Mexico exceeded \$63 billion last year.

REUTERS

## Scholars tell Trump to copy China solar energy approach

Along China's path of transforming from the world's leading manufacturer to a proponent of solar technology and products, the United States might find it worthwhile to digest and learn from China's approach to its visionary energy policy, its public-private technology partnership and commercialization of its technology and research.

In a report titled *The New Solar System*, which was funded by the US Department of Energy and released on March 21, scholars from Stanford University urged the US government to capitalize on China's expertise in forging a "more economically sensible" path for America's solar industry, and acknowledge China's achievement in the sector.



Chang Jun  
San Francisco Journal

By the end of 2015, China had deployed 43,500 MW in solar power, making it the world's largest installed solar base.

According to Anders Hove, associate director of research at the Paulson Institute, China had 34 gigawatts (GW) of new solar power installed in 2016 alone, more than double what was added in the US.

Last December, China unveiled a five-year plan for the development of solar energy,

which set a target of 110 GW solar capacity by 2020.

"Renewable energy, including solar, is essential for meeting China's energy and climate goals and reducing reliance on high-emissions coal, which contributes to both air pollution and climate change," said Hove.

Yang Yunhui, partner at Shanghai-based Yijin Capital, echoed the US researchers' recommendations. "The central government has taken concrete efforts to push forward growth of China's renewable, clean energy," she said.

Concerned citizens in China became early adopters of residential solar panel installations. "They understand the need to get away from terrible pollution problems and invest in clean energy," she said.

Chinese solar panel makers

aren't stopping within national boundaries; instead, they are expanding into overseas markets including the US. "They have the capital, they have the technology, they have the scale," said Ocean Yuan, CEO of the Oregon-based solar panel manufacturer Grape Solar.

He accompanied a group of four visitors yesterday from Chengdu-based Tongwei Group, the world's leading aquatic feed producer, on a tour of the Eugene technology center, which boasts a manufacturing base of approximately 917,261 square feet. "They are interested in purchasing the factories for future solar panel production," he said.

In 2006, Tongwei's founder Liu Hanyuan decided to switch part of the company's business focus to solar technology

and purchased a company that made chemicals for the production of polysilicon, the crystalline raw material used in making solar panels.

Last week, Yuan and his team flew into San Francisco to attend InterSolar North America, a three-day solar industry trade show.

"Can't you see that Chinese enterprises make a strong presence?" said Yuan, calling Huawei's presentation "too eye-catching to miss."

Spearheading the PV inverter sector in China in 2011, Huawei not only became the domestic market leader but clinched a 45 percent international market share in 2015.

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## Made in America



US President Donald Trump sits in a firetruck as he participates in a "Made in America" products showcase at the White House in Washington on Monday. CARLOS BARRIA / REUTERS



# TOP NEWS

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## Powerful drone ready for the global market

By ZHAO LEI  
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China is ready to mass-produce the CH-5 reconnaissance/combat drone, the nation's latest offering to the international military drone market.

The first mass-production CH-5 made its debut flight, in which it was airborne for more than 20 minutes, at an airport in Hebei province on Friday afternoon.

Ou Zhongming, project manager of the Caihong, or Rainbow, series of drones at the China Academy of Aerospace Aerodynamics in Beijing, said after the test that several nations, including current users of other CH models and new clients, are in talks with the academy on procurement of the CH-5, which is believed to be one of the best unmanned military aircraft in the world.

"Today's flight means the CH-5's design has been finalized and we are ready to mass-produce it," he said, refusing to name potential buyers.

The China Academy of Aerospace Aerodynamics is the country's largest military drone exporter by the number of products sold overseas. Its CH-series drones have been

sold to militaries in more than 10 countries, making it the largest drone family the country has exported, according to statistics from the academy.

Shi Wen, chief designer of the CH series, said the CH-5 outperforms all of its Chinese-made counterparts when it comes to operational endurance and payload capacity. The plane is as good as the US-made General Atomics MQ-9 Reaper, a hunter-killer drone often deemed by Western analysts as the best of its kind, he added.

The prototype CH-5 was first flown in August 2015. The drone is made of composite materials and has a wingspan of 21 meters. Twice as big as its predecessors in the CH family, the drone can stay in the air for 60 hours, almost three times that of other Chinese models. Its maximum operational range is designed at 10,000 kilometers, according to Shi.

The drone's 1-metric-ton payload capacity enables it to bring as many as 24 missiles on a single mission, strong enough to take out a convoy of armored vehicles.

The unmanned aircraft can also use high-resolution cameras, radar and radio transmitters to serve a wide range of civilian and public sectors.

## Flying down the track



Olympic sprinter Zhang Peimeng takes on China's J-10 fighter jet as part of the CCTV show *Cheers Science*, which aired on Sunday. The J-10 beat Zhang, who competed at 2008 and 2012 Summer Olympics, over 100 meters. PROVIDED TO CHINA DAILY

## Xi: Opening-up needs to aid consumer rights

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Xi said.

Xi said the sequence of opening-up in the financial sector should be arranged reasonably.

Opening-up should be promoted in areas that are helpful with consumer rights and interests, reinforcing orderly competition in finance and preventing financial risks, he said.

The country should further advance the steady internationalization of the renminbi and keep its exchange rate basically stable, he added.

Also, China should match its supervision of the finance sector with the opening-up, and its systems' shortcomings should be addressed, Xi said.

To shape a more open environment for businesses, major cities such as Beijing,

Shanghai, Guangzhou and Shenzhen should gear up reforms and reduce inspections and fines, Xi said.

Lists of fees charged should be drafted, and irregular, excessive, unauthorized or repetitive charges should be banned, Xi said.

Intellectual property is part of a good corporate environment, and the country should boost the quality and efficiency in censoring intellectual property, he said, indicating it would create a more timely manner to bring it to the market.

China should accelerate institution building for intellectual property of emerging areas and sectors, and punishment against intellectual property violation should be tougher to hold the violators accountable, he added.



Roman Zamboch (right), director of the press office of the Chamber of Deputies of the Parliament of the Czech Republic, speaks with other delegates at the China-CEEC Spokespersons Dialogue in Beijing on Monday. WANG ZHUANGFEI / CHINA DAILY

## China and CEEC nations focus on media relations

### Dialogue strengthens ties with Central and Eastern Europe

By HU YONGQI  
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Chinese officials vowed on Monday to disseminate timely information on major events and public policies in an effort to achieve closer connections between the public and media and the government.

The agreement came at the China-CEEC Spokespersons Dialogue, the first such event hosted by China to exchange views on news releases with representatives from 13 Central and Eastern European countries.

Twelve of China's governmental spokesmen and spokeswomen shared experiences at the one-day dialogue in Beijing, which focused on the Belt and Road Initiative

and global communication.

The dialogue follows Vice-Premier Liu Yandong's visit to Hungary last month. Plans call for Budapest to host the 6th China-CEEC Leaders' Meeting this year.

Jiang Jianguo, minister of the State Council Information Office, said China now has more than 200 spokesmen and spokeswomen at ministerial and provincial level organizations. Last year, about 5,000 news conferences were held in China, showing the government's open, inclusive, confident and respectful attitude toward the media, he said.

Such representatives have to answer the public's doubts and questions and inspire public unity, as well as explain domes-

tic conditions to the globalized world, Jiang said. They have played a vital role in global governance as punctual information disclosures and responses to overseas concerns have boosted opening-up and win-win cooperation, he said.

In May, China hosted the first Belt and Road Forum for International Cooperation, attracting more than 4,400 journalists from 830 media organizations, the minister said. China's spokesmen and spokeswomen contributed to the forum's success, as did their counterparts in each foreign delegation, he added.

Song Shuli, spokeswoman of the Health and Family Planning Commission, said the government needs to disclose information in a transparent manner, and those charged with that job have encountered similar challenges in each of the countries. "The dialogue wid-

ens our perspectives and we can learn some effective solutions to problems," she said.

Glevin Dervishi, spokesman of Albanian Foreign Ministry, said there is a huge space to exchange views on preparing news releases. "We can share with each other. This dialogue is really helpful," he added.

Dervishi said there is a chance of being misunderstood and misquoted for all spokesmen and spokeswomen. "We found a common ground that such misunderstandings can be resolved with thorough explanations," he said.

News releases have played a more important role in national governance in the era of new media, and the government should better use new channels to disclose information accurately and punctually, said Guo Weimin, vice-minister of State Council Information Office.

## Top graft-buster: Enhance inspections

Inspection is a strategic and systematic intra-Party supervision arrangement that will be further developed after the 19th National Congress of the Communist Party of China, to be held later this year, top graft-buster Wang Qishan said. Wang, head of the CPC Central Commission for Discipline Inspection, made the remarks in an article carried Monday by People's Daily, the flagship newspaper of the CPC.

Wang said the authority of inspection is assured by the centralized and unified leadership of the CPC Central Committee and empowered by the Party Constitution.

"Without the leadership of the CPC Central Committee, the inspection would not play such a big role and achieve such remarkable results," he said.

During the 12 rounds of inspection by central inspec-

tion authorities since the 18th CPC National Congress in 2012, 277 Party organizations have been inspected, 16 provincial-level regions have been re-examined and flexible inspections of four institutions under the central authorities have been carried out, he said.

The inspections also covered major state-owned enterprises, central financial institutions and major universities, among others, according to the article.

This is the first time the Party has successfully inspected all these entities within an administrative term, it said.

"All of the problems discovered during the inspections reflect the weakening of Party leadership, deficiency in Party building and inadequate work in strict Party governance," he said. Wang was speaking of leadership at all levels of the Party.

“Without the leadership of the CPC Central Committee, the inspection would not play such a big role and achieve such remarkable results.”

Wang Qishan, head of the CPC Central Commission for Discipline Inspection

The root is in the relaxed and unhealthy intra-Party political life, he said.

In the battle to safeguard a clean political environment, great results have been achieved in strict Party governance.

Inspection authorities usually make public the list of target units and collect information through various channels before carrying out an inspection.

They also open hotlines and mailboxes to information on

disciplinary violations during inspection, while feedback and rectification of targeted units are also publicized after the inspection.

The inspections have been linked to innovative approaches and other breakthroughs in Party governance.

"The problems we are facing have been accumulated over a long period and therefore require a long period of time to solve," he added.

XINHUA

## Beijing protests proposed naval visits

By MO JINGXI  
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China has protested to the United States over an annual US defense policy bill that includes clauses requiring reports on the possibility of naval ships from the US and Taiwan docking at each other's ports, a Foreign Ministry spokesman said on Monday.

"Related clauses seriously go against the one-China policy and the principles of the three

joint communiques between China and the US, and interfere in China's internal affairs," Foreign Ministry spokesman Lu Kang said at a daily news conference in Beijing.

"China has lodged serious representations to the US," he said.

Lu said China resolutely opposes any form of official exchanges and military links between the US and Taiwan, urging the US to fully recognize the serious harmfulness

of the amendments.

"We ask the US not to pass and legislate the bill that includes such clauses, to not turn back the wheel of history, in order to avoid damaging China-US cooperation," he added.

The US House of Representatives passed on Friday the National Defense Authorization Act for Fiscal Year 2018.

One amendment requires the US secretary of defense to report to congressional com-

mittees no later than Sept 1, 2018, on "the feasibility and advisability" of US Navy ships making ports of call in Taiwan and ships from Taiwan making ports of call in Hawaii, Guam or other locations, according to media reports.

A final version of the legislation will be drafted at an undisclosed time and would take effect only after being approved by the Senate and signed by US President Donald Trump.

## Speedy trains, fast food



Meals for bullet train passengers are delivered to Guangzhou South Station's online order center on Monday. It was the first day that preordered meals, from the railway operator's catering service or partner businesses, were allowed. LIANG XU / XINHUA

## Dortmund takes shot at giant market for new fans

By QIU QUANLIN  
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The German Bundesliga soccer giant Borussia Dortmund announced on Monday that it is looking to team up with Chinese companies and social organizations to expand its fan base and promote its brand in China.

The team is the latest top-tier European soccer club to seek its way into the Chinese market in the midst of China's ambitious plan to become a soccer power.

"As a sports club with a history of more than 100 years, we are now aiming to develop more market potential in China," Carsten Cramer, director of sales and marketing of Borussia Dortmund, said in Guangzhou, where the club will play against Italy's AC Milan in the International Champions Cup on Tuesday.

The German club signed a marketing agreement with Chinese bike-sharing company Ofo Inc, famous for its yellow bicycles, during its second trip to China. The team's colors are yellow and black.

50,000

academies and soccer-focused schools will be built by 2025, according to China's soccer development plan.

"We are not looking for potential buyers or investors from China. Instead, we are making efforts to work with more partners to promote brands in China, which is a strategic potential market for us," said Cramer.

"Brand promotion and expansion of the fan base in China are considered priorities of future strategy."

Dortmund is part of a large sports club with more than 145,000 members, making it the second-largest club by membership in Germany.

The club has already opened an office in Shanghai, which will help run more local activities to increase its fan base in China. Building a joint soccer academy is a likely next step for it to strengthen its footprint in China in the near future, Cramer said.

Other major international soccer clubs that have already tapped into Chinese talent and markets include another major Bundesliga team, Bayern Munich, which announced plans to open a soccer training academy in Shenzhen, Guangdong province.

The FC Bayern Football School Shenzhen is the German giant's second training base in China.

Spanish La Liga titan Barcelona launched a soccer academy in Haikou, capital of Hainan province, in February in cooperation with golf and tourism services provider Mission Hills Group.

"Collaboration with top overseas clubs, especially in terms of developing young players, will help to promote China's soccer training as the country strives to become a big player in the sport," said Xie Liang, a veteran soccer commentator with Radio Guangdong.

There will be 50,000 academies and soccer-focused schools built by 2025, according to China's soccer development plan.



“Fighting problematic livestreaming platforms doesn't mean restricting the industry's development. It's not a conflict.”

Wang Sixin, law professor at Communication University of China

# Livestream oversight gets stricter

Platforms should be free of unhealthy or illegal information, authorities say

By CAO YIN

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China has increased its efforts to regulate livestreaming platforms in a move to prevent the internet environment from being polluted by unhealthy or illegal information, the nation's anti-pornography office said on Monday.

The National Office Against Pornographic and Illegal Publications, a joint team including China's Cyberspace Administration and the Ministry of Culture, called for strengthening the fight against violators on platforms providing live broadcasts.

From January to June, 73 livestreaming platforms and 91,443 live studios with illegal content were closed, while 1,879 live hosts were permanently blacklisted, according to the cyberspace administration.

The office also cooperated with public security authorities to crack cases in which livestreaming providers or live anchors were suspected of spreading pornographic information.

In a recent case, police in Zhejiang province broke up a gang led by two suspects named Fang and Qi, who set

up a platform in February and operated it overseas using female hosts.

By May, more than 1.08 million people had become members and paid more than 7.28 million yuan (\$1.1 million) to watch livestreamed programs. There were more than 1,000 hosts.

So far, police have detained 22 suspects, the office said, adding that three people are still on the run.

Wang Sixin, a law professor at Communication University of China, applauded the action and the office's increasing efforts to regulate livestreaming platforms, "as they are enforcing our laws and rules".

In December, the cyberspace administration issued a regulation on how to manage live platforms. It said anyone using the platforms to harm national security, damage social stability or spread pornography must be banned.

"The rules to regulate the platforms are sufficient. What we need to do is implement them effectively," Wang said. "Fighting problematic livestreaming platforms doesn't mean restricting the industry's development. It's not a conflict."



Rescuers deal with wrecked vehicles after flooding in Yongji county, Jilin province, on Saturday. WANG QIANG / FOR CHINA DAILY

## City takes heavy blow from storms; 18 dead

By HOU LIQIANG in Beijing and HAN JUNHONG in Changchun

Floods in Jilin city, Jilin province, have killed 18 people and left another 18 missing, while more than 110,000 people have been relocated, local authorities said on Monday.

Heavy rains in the central and eastern parts of the province on Thursday and Friday left much of it inundated. Jilin city was one of the most seriously affected.

Li Senshan was on duty on the fifth floor of the Yongji county museum at 7 pm on Thursday when he saw people taking shelter from the rain on the first floor of the building. He led four people upstairs to a safer area before he spotted a woman who also needed help.

"Soon after I let the woman in, floodwaters broke the windows and poured in. I was knocked down and soon felt faint," he was quoted as saying by New Culture, a local newspaper.

Li was found bleeding and bruised by medical workers, who provided first aid.

The flood left large amounts of mud in some areas of the city. About 10,000 square meters around a major shopping mall in Yongji, for example, was covered with mud 1 to 2 meters deep.

According to the operators of a local market, almost 100 truckloads of mud had been moved from the area as of 10:30 am Monday and another 400 truckloads were yet to be cleared.

More than 32,000 people were working across the city to remove mud and debris, repair bridges and reconnect households to telecommunications and electrical networks, the city government said on Monday.

The government has also dispatched at least 300 people to deal with hygiene and disease control. Almost 400 metric tons of lime for disinfection had been scattered as of Sunday afternoon and 72,000 disease control leaflets had been handed out to the public.

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## Teaching moment



A teacher shows a model aircraft to the children of rural migrant workers during a summer camp at Northwest Polytechnical University in Xi'an, Shaanxi province, on Monday. The children planned to visit a museum and an ocean park, and to attend training sessions on basketball and public speaking. YUAN JINGZHI / FOR CHINA DAILY

## Code of conduct issued for scientists

By ZHANG ZHIHAO

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The China Association for Science and Technology recently published guidelines for improving the self-discipline of scientists and curbing academic fraud in scientific papers.

The association issued the guidelines to its affiliated organizations and schools last week. It included codes of conduct and bottom lines for scientific papers.

The bottom lines are no fabrication, no plagiarism, no impersonation and no bribery. The association also called for scientists to be conscious of national goals and to pursue innovation to advance the well-being of the people and the country, while upholding academic practices.

Since 2015, foreign science publications have frequently retracted research papers by Chinese authors.

"This has a serious negative social impact and has

“These retractions are the result of some Chinese scientists lacking discipline or morals. The guidelines are meant to promote the scientific spirit and strengthen moral standards.”

China Association for Science and Technology

directly harmed Chinese scientists' international reputations," the association said in a statement.

"These retractions are the result of some Chinese scientists lacking discipline or morals," it said. "The guidelines are meant to promote the scientific spirit and strengthen moral standards."

The medical journal Tumor Biology, published by Springer Nature, retracted 107 Chinese papers in April after an investigation found the peer review process had been compromised with fabricated email addresses of reviewers.

The move affected more than 520 Chinese researchers. Some were from top schools such as Peking University, Shanghai Jiao Tong University, Fudan University and China Medical University.

The Ministry of Science and Technology is currently investigating the scandal. Early results suggest that the authors had passed their articles to dubious third-party agencies for polishing or review, resulting in unethical practices.

In March 2015, BioMed Central, a major publisher of medical and science journals based in the United Kingdom, retracted 43 papers

over fabricated peer reviews, 41 of which were written by Chinese scholars.

China has been the world's second-largest producer of academic papers since 2009, trailing only the United States, according to the Science Citation Index, a database that covers most of the world's leading science and technology journals.

China produced more than 300,000 works for international journals in 2016, compared with 13,000 in 1996.

Publishing papers in international journals has become an important benchmark for measuring a researcher's performance, which is linked to salary, funding and job promotions, according to Xinhua News Agency.

The Chinese scientific community is weighing reforms to make scientists' performance evaluations more robust and rational. At the same time, more regulations are seen as necessary to prevent and punish violators and unethical third-party agencies.

## Report: Judiciary protects human rights

**Editor's Note:** China's judicial system has improved human rights protections since the 18th National Congress of the Communist Party of China in 2012, according to a summary published on Saturday under the name "Qi Ju" in the overseas edition of People's Daily, the official newspaper of the CPC. The article was originally published in Chinese. Following is a translated summary, edited for length and clarity:



are filed and properly handled. Judicial organs have implemented the principle of presumption of innocence and exclusion of unlawful evidence.

China strictly limits the death penalty and employs it with prudence.

Detainees' rights and interests are guaranteed by improved conditions of prisons and detention houses and enhanced scrutiny of supervisory activities. Commutation, parole and execution of sentences outside prison safeguards detainees' personal dignity, safety, property and the rights of defense and appeal.

### Protecting lawyers

China has made or revised laws and regulations to ensure lawyers' right of practice. In 2015, regulations were issued to make clear various measures to protect lawyers' rights of practice, including

the right to know, to meet their clients and read case files.

By March 2017, all 31 provincial-level lawyer associations had established lawyer rights protection centers. In April, a circular was jointly issued by various authorities to further clarify different departments' duties in safeguarding lawyers' rights to practice.

### Ensuring justice

Judicial organs nationwide have implemented the principle of the presumption of innocence to prevent and correct miscarriages of justice.

In 2013, the Ministry of Public Security issued a circular on improving law enforcement to prevent miscarriages, along with other documents to prevent improper verdicts and improve real-time scrutiny of law enforcement.

The Ministry of Justice strengthened forensic assessment management and further regulated such activities, and the Supreme People's Procuratorate released a circular to prevent and correct miscarriages of justice by improving procuratorial functions, including scrutinizing all activities concerning evidence, procedures and

application of law, improving the system of discovery, correcting and preventing improper verdicts and holding those responsible accountable.

The Supreme People's Court stipulated that defendants should be acquitted if evidence is insufficient.

### Rules of evidence

China has clarified its laws to exclude unlawful evidence and protect the rights and interests of criminal suspects. The Criminal Procedure Law revised in 2012 makes clear that confessions extorted by torture, or witness testimony and depositions of victims obtained illegally, such as by violence or threats, should be excluded from trials.

In June, the Supreme People's Court, the Supreme People's Procuratorate, the Ministry of Public Security, the Ministry of State Security, and the Ministry of Justice jointly released a regulation on the exclusion of illegally obtained evidence in criminal cases.

Defenders of criminal suspects are allowed to ask that illegal evidence be ruled out during investigations.

XINHUA

## Briefly

HEBEI

### Ex-bank executive pleads guilty



Yao Zhongmin, a former senior executive of China Development Bank, pleaded

guilty to accepting bribes worth more than 36 million yuan (\$5.3 million) during a hearing at Baoding Intermediate People's Court on Monday. From 2000 to 2013, Yao, deputy head and chief supervisor of the bank, made use of his position to offer loans and contract rights to others in exchange for bribes, prosecutors said. The court said its judgment will be announced at a later date.

GUANGDONG

### Man with knife kills 2, hurts 9

A knife-wielding man killed two people and injured nine others on Sunday night in a supermarket in Shenzhen, police said. The 30-year-old suspect, an unemployed man, attacked people with a kitchen knife in a Wal-Mart outlet at around 9 pm. The attacker has been detained.

XINHUA—CHINA DAILY

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Foreign tourists ride shared bikes to China's first ethnic-themed outdoor festival held in Rongjiang, Guizhou province, earlier this year. The festival involves a combination of sports and tourism with characteristics of Dong and Miao ethnic groups. DENG GANG / FOR CHINA DAILY

## Guizhou invites tourists to beat the heat

By YANG JUN in Guiyang and XIN DINGDING in Beijing

Mountainous Guizhou province has adopted new measures to get more tourists to spend a cool summer there, as many parts of the country swelter in heat and humidity. Tourists from 10 provincial-level regions deemed to be among the hottest in China — Fujian, Zhejiang, Jiangsu, Hunan, Hubei, Shaanxi, Jiangxi and Anhui provinces, as well

as the Guangxi Zhuang autonomous region and Chongqing municipality — can enjoy a 50 percent discount on tickets to most scenic spots in Guizhou between Tuesday and Sept 15, the provincial government said in a news release on Monday. Cars with license plates registered in the 10 areas can also enjoy a 50-percent discount on tolls if they use the provincial highway during the time. There will also be deep discounts on airline tickets

between Guizhou and the 10 areas. Airlines are encouraged to add more flights to Guizhou, for which they will be exempted from part of the fees for using airports in the province. So far this year, 20 flights have been added to Guiyang, the provincial capital, from the 10 areas, said Wang Wenxue, deputy director of Guizhou Tourism Development Committee. The welcome gesture was made at a time when many parts of the country are experi-

encing oppressive heat. Wang said that while many areas were forecast to have temperatures above 35 C in recent days, Guizhou boasts an average temperature of 23 C in July. The measures are expected to attract more tourists to the province, which received 81 million visitors between June and September last year.

Contact the writers at yangjun@chinadaily.com.cn

## Sanya: Attraction of TCM benefits region

From page 1

are visiting with a special purpose — the benefits of TCM. Medical tourism, which according to one US research report is expected to bring in \$678 billion this year worldwide, is gaining new momentum in Hainan, once a key stop on the ancient Maritime Silk Road and now a burgeoning international tourism destination thanks to policy support from the central government, according to Wu Ming, deputy director of the Hainan Health and Family Planning Commission and head of the provincial TCM administration. He said the State designated Hainan as a pioneering region for TCM service trade innovation in 2014 and projected this year to turn the island into a national TCM service trade and healthcare tourism demonstration zone. "Leading medical bodies such as Sanya TCM Hospital have actually pioneered the development of TCM healthcare tourism by taking advantage of the local natural environment and tourist resources, starting in 2002," Wu said. He said the hospital provided tailor-made TCM services to Kazakh President Nursultan Nazarbayev, Tajik President Emomali Rahmon, Russian Prime Minister Dmitry Medvedev, Kyrgyz Prime Minister Zhanotiro Satybaldiyev and dignitaries and ambassadors from 18 countries. The hospital has been awarded a number of diplomatic honors, such as from the Russian government for its contribution to China-Russia friendship through its treatment of the hostage crisis victims. Around 50,000 foreigners — mostly from Russian-speaking countries and northern Europe and some from Canada, the United States, Turkey and Iran — have received high-end tailored TCM therapies that eased or cured their illnesses, while traveling in Sanya since the healthcare tourism effort began in 2002, according to statistics from the hospital. "Among people living in a frigid climate, there is a high incidence of nerve diseases such as cerebral palsy, respiratory system problems like asthma, motion system problems such as hip-joint and knee-

joint problems, for which TCM therapies have good curative effects," said Wang Tiansong, president of the hospital, which cooperates with five Russian medical institutions and companies in addition to a number of upcoming ties with medical centers in Russia, Sweden and Malaysia. "The natural climate advantages that are essential to good health, the effectiveness and low cost of TCM resources that make TCM strongly competitive and the natural means of treatment that are gradually favored by more and more Western tourists promise bright prospects for medical tourism in Hainan." Sanya hospitals are becoming hot spots for visits by those from both domestic and overseas medical institutions and agencies seeking experience and opportunities of cooperation. Roshal Leonid Mikhailovich, president of the Russian National Medical Commission, spoke highly of Sanya's medical capabilities and its integration with Western medicine during a recent trip to inspect medical projects for rehabilitation and treatment of children with cerebral palsy in Sanya. He said the Russian commission had signed a framework on medical and healthcare cooperation with provincial health authorities, adding that he hoped to import Chinese medicine technology to Russia. Another team of Russian experts, headed by C. Rosoff, an academician with the Russian Academy of Medical Sciences and director of the Far East Respiratory Diseases Research Center, found broad prospects for cooperation with Sanya in the prevention and rehabilitation of respiratory diseases and the management of chronic diseases. "I would like to come to Sanya to conduct clinical, research and education work," he said, after a recent visit observing the development of Sanya hospitals, the Phoenix Island cruise economy and island vacation centers. "A number of other overseas agencies and companies also have shown interest in conducting cooperation of TCM service trade with our hospital, which is serving as a Sanya model for TCM healthcare



A Russian patient receives traditional Chinese medicine therapy at a hospital in Sanya, Hainan province, in February. PROVIDED TO CHINA DAILY

tourism," said Wang of the Sanya hospital, which has a team of 198 veteran doctors. Wang said his hospital will set up rehabilitation and healthcare centers to make full use of the precaution and healthcare functions of TCM to cope with health issues that affect people, such as insomnia, depression, anxiety and lumbar and cervical vertebra problems. "More medical institutions, especially public hospitals, will actively engage in promoting the TCM service trade, after the designation of more demonstration bases" to promote TCM and tourism by the provincial authorities earlier this year," said Wu, head of the provincial TCM administration. Government management and supervision of the TCM services also is being improved in the province. "Hainan soon will release a set of regulations to help standardize and guide the innovative, healthy and sustainable growth of the TCM service trade and healthcare tourism in Hainan, cultivate more local brands and projects and promote internationalization of TCM by encouraging local medical bodies to open overseas TCM services on a cooperation basis," Wu said. He said five provincial level workrooms will be open in Hainan to help attract famous doctors from around the country who could assist in attracting TCM talent and ensure quality services to overseas tourists and promote the overseas TCM services trade. "Hainan, which has developed advanced technologies for growing southern herbal medicine, will also conduct more cooperation on growing, research and development of southern Chinese medicine with southeastern Asian countries under the Belt and Road Initiative and help build international teams to ensure sustainable utilization of southern medicine overseas," he said. "While learning from

countries with good medical tourism experience such as Japan, Thailand, Singapore and South Korea, Hainan will put emphasize on developing light medical tourism products that highlight Hainan's natural resources, such as hot spring spas, TCM massaging, forest hiking and golfing," said Sun Ying, director of the Hainan Tourism Development Commission. "Cooperation with the World Medical Tourism Association, the World Society of Anti-Aging Medicine and the China Health Management Association will be strengthened to introduce international service brands."

## People cool off in air-raid shelters

High temperatures push residents to seek respite below ground

By CANG WEI in Nanjing cangwei@chinadaily.com.cn

In addition to shopping malls and libraries, many Nanjing residents have chosen to enjoy the cool air of air-raid shelters, where they may read books, dance or play online games. "What I like most about the air-raid shelters is that there are no mosquitoes," said Zhong Yue, a 16-year-old who accompanied her grandmother to Beijiyuan Shelter, which is built into a hillside. "My grandma goes to the shelter almost every day in summer with her friends to save electricity. I think it's environmentally friendly. However, I wouldn't be here if free Wi-Fi wasn't provided." Since Saturday, Nanjing has opened eight of its air-raid shelters to the public. Tables, chairs and free mineral water are provided, along with dehumidifiers. Beijiyuan Shelter, which literally means North Pole rock shelter in Chinese, is located near well-known attractions, such as Xuanwu Lake and Jiming Temple. And it's not just residents. Visitors find their way into the shelter as well. Yuan Man, a Suzhou stu-

dent who will go to college this September, said that the shelter looks different from what he had imagined. "I thought it would be dark and terrifying inside, like in the war movies," said the student, who is traveling in Nanjing. "But it's bright and clean. I shivered when I first entered. It's almost 40 C outside and inside it's only half that temperature." Yuan Renshui, a community worker in Qixia district, said people don't get bored, even if they spend the whole day in the Qianxin Yinkuang Shelter. "We bought a television this year," he said. "The shelter covers more than 200 square meters. It's divided

into three rooms for reading, playing poker and dancing." The shelter is the only one in the city that's open all year. Others are open daily from July 15 to late August. "Many people come to the shelter around 9:30 am and don't leave until it closes at 5 pm," said Chen Ya, who is retired. "Some even bring lunch." Other cities, such as Hangzhou, Zhejiang province, Fuzhou, Fujian province, and Chengdu, Sichuan province have also opened their air-raid shelters to the public. According to the National Meteorological Center, heat will continue to grip parts of eastern, northern and southern China. Temperatures in some parts are expected to hit 37 to 40 degrees. Guo Jun contributed to this story.



People stay cool in an air-raid shelter in Nanjing, Jiangsu province, on Saturday. CUI XIAO / FOR CHINA DAILY

## More details emerge in deadly apartment fire set by nanny

By SHI XIAOFENG in Hangzhou shixf@chinadaily.com.cn

Hangzhou authorities have released more details in the case of a nanny accused of setting fire to an apartment in Hangzhou, Zhejiang province, China News Service reported on Monday. At a news conference, the authorities said the nanny had used her mobile phone to learn how to set a fire. They also said the property management company failed to maintain safe facilities and to provide emergency response. The police said Mo Huanjing, 34, confessed after her arrest, and was charged on July 1 with arson and theft in connection with the blaze that swept through an apartment in a residential building on June 22. The fire killed

a mother and her three children, aged 6 to 11 years, Li Bing, deputy director of the Shangcheng district public security bureau, said at the news conference. Mo was addicted to online gambling, Li said. She had worked as a babysitter since 2015 in Shaoxing, Zhejiang province, and in Shanghai, but was fired three times after being accused of theft. She had worked for the family caught in the fire since September and had stolen items she subsequently pawned for 130,000 yuan (\$19,000) to pay off gambling debts. Mo also borrowed 114,000 yuan from her employer, claiming she needed to buy a house for her parents. During the investigation, the police discovered that Mo had searched such key words as "lighter," "sofa fire" and "curtain fire" from 2 am

to 4 am on the day of the blaze, the news service reported. Later, at 4:55 am, Mo used a lighter to set fire to a book on a tea table. The fire spread to the sofa, got out of control and frightened Mo, who fled, leaving the mother and three children to die. Firefighters arrived at the scene at 5:11 am, but the fire engine was blocked. Firemen rescued seven people but failed to reach the blazing room. Insufficient fire hydrant pressure prevented fire suppression and delayed the rescue effort, the report said. According to Chen, the property management company had many problems with its emergency preparedness, including staff members who didn't know how to switch on a fire hydrant pump manually.

## Bidding Announcement for the Second Phase of Abu Dhabi's Khalifa Port Container Wharf (Main Contractor)

(Project Number: 17105301)

The project, located in Al Taweelah (Abu Dhabi, the United Arab Emirates) consists of a 1,200- sq m container yard and its correspondent frontage construction. It is divided into two stages. Interested bidders must conform to the following requirements:

- 1) Possessing Grade I or above certificate as a general contractor for port and navigation projects;
- 2) Possessing a qualification certificate to act as a contractor for foreign projects;
- 3) Possessing the "ports and marine contracting" certificate issued by the Abu Dhabi local government (if the bidder lacks this requirement, it must render a commitment letter, along with the bidding proposal, promising to acquire the aforementioned certificate if chosen as the bid winner);
- 4) Having performed a port engineering (wharf or storage yard) single contract project at a value not lower than US\$75,000,000 (or 500,000,000 yuan) since January 1, 2012.

Note: The aforementioned Item 1) and 2) require the bidder to be a domestic enterprise of the People's Republic of China.

This bid is open to joint bidding. Specifications can be further consulted through the tender agency.

Interested bidders may apply between 09:00 and 16:00 (Beijing time) every day from July 19-24, 2017 (except public holidays). The bidding documents can be procured at F14, Yan'an West Road #358, Shanghai, China.

For further information on the requested material or to place a purchase of the bidding documents, please contact the tender agency. The price for each set of bidding documents is 3,000 yuan, which is non-refundable.

**Tenderer: COSCO SHIPPING Ports Limited**

Address: COSCO Tower, Dong Da Ming Road # 658, Shanghai, China; Contact: He Bo

**Tender Agent: Shanghai International Tendering Co., Ltd.**

Address: F14, Yan'an West Road #358, Shanghai, China.

Contact: Pan Fei, Wu Yue, Lu Kai

Phone Number: 86 21-62791919 ext 196/166; Fax: 86 21-62791616\*196 ext 166

E-Mail: panfei@shabidding.com



## COURTS

# Experts call for compensation shake-up

Although more miscarriages of justice are being overturned than ever before, legal professionals say the sums awarded for the mental anguish endured as a result of wrongful imprisonment are inadequate, as **Cao Yin** reports.

In June, six months after their convictions for robbery, rape and murder were quashed on appeal, four men from Jiangxi province claimed State compensation for their wrongful conviction and imprisonment 13 years ago.

Three of the men have applied to the provincial high people's court for compensation amounting to more than 20 million yuan (\$2.9 million) each, including 12 million yuan each for the psychological trauma they experienced. The fourth man has applied to the provincial people's procuratorate, but details of his claim are not known.

In April, the Supreme People's Court, the nation's top judicial body, issued guidelines to supervise procedures when courts handle claims for State compensation, saying the regulated process is a key step in the implementation of rule of law and the protection of human rights.

Tao Kaiyuan, vice-president of the top court, called on courts at all levels to improve the quality of case hearings to prevent flawed judgments, and ordered them to improve transparency in the procedures for handling applications.

According to the experts, a number of problems, such as the relatively low sums awarded and imprecise definitions of mental torment, must be resolved as quickly as possible.

Since the revision of the State Compensation Law in 2010, people subject to miscarriages of justice have been able to apply for compensation for psychological trauma.

However, many questions remain, such as how mental anguish can be quantified, and how to narrow the gap between compensation paid for wrongful imprisonment and for mental anguish.

"It's pleasing to see compensation awards rising, and that our increasing efforts to regulate criminal procedures in recent years have helped to overturn many wrongful convictions. However, the developments haven't gone far enough," said Zhang Xuefeng, a lawyer in Beijing.

Under Chinese law, the sums awarded as compensation for mental anguish are based on how much people have received for wrongful imprisonment or physical injuries sustained.

"That means raising the latter will be useful in improving the amounts paid for psychological damage," Zhang said.

Wang Wanqiong, a lawyer from Sichuan province, represented Chen Man, whose conviction was overturned last year. She was optimistic about the possibility of higher levels of compensation, but suggested that a wider range of items be added to compensation lists, such as expenses incurred during the appeal process, to balance the lower sums awarded for mental anguish.

## Compensation rises

Since 2012, when China's current administration assumed power, the courts have overturned 34 miscarriages of justice.

Chen was awarded 2.75 million yuan after spending nearly 24 years in prison, having been detained in 1992, before being wrongfully convicted of murder and arson in 1994.

"Initially, we asked for compensation of more than 9.66 million yuan, but the sum we finally received was not as much as we expected," Wang said. "The major part of the award was for more than two decades of wrongful imprisonment."

Last year, the daily payment for wrongful imprisonment was calculated in line with average earnings in 2015.

However, in May, the Supreme People's Court issued the latest standard, which states that compensation will now be set at a fixed daily rate of 258.89 yuan.

"Ten years ago, the figure was about 80 yuan," Wang said,

noting that although daily compensation rates have risen every year, the process has been too slow.

"The courts now have a clear formula to use, so it's easier for them to agree compensation for wrongful imprisonment," she said, adding that daily compensation levels should be tailored to individual circumstances.

"After all, the salaries of civil servants or business executives subject to miscarriages of justice are very different to those of regular workers," she noted.

## A major development

According to Zhang, the lawyer in Beijing, the greater availability of compensation for psychological trauma is a major judicial development.

"It is the highlight of the revised law, because it indicates how the far the situation has progressed. Compensation for mental anguish is not only a comfort to the applicants and their families, but also an apology from the nation for mistakes made by the judicial system," he said.

Legal interpretations of the revised State Compensation Law suggest that payments for psychological trauma should not exceed 35 percent of the compensation paid for wrongful detention.

In recent years, one of the most-publicized miscarriages of justice was that of Nie Shubin, who was executed in 1995 after being convicted of rape and murder. In December, his conviction was overturned by the Supreme People's Court and his family was awarded 1.3 million yuan, the highest sum paid as compensation for mental trauma in China.

By contrast, Qian Renfeng, who spent 14 years in prison after being wrongfully convicted of killing a child with poison, received 500,000 yuan.

"Applying for compensation for mental suffering is like bargaining in a market," said Yang Zhu, Qian's lawyer. "In some cases, awards for mental anguish are arranged privately between the courts and attorneys, which I don't think is sensible or good for applicants," he said.

Chen received 900,000 yuan for the psychological trauma he experienced.

"The award accounted for almost 50 percent of the sum he received for wrongful detention," Wang said.

Both Wang and Yang believe it would be impractical to draw a clear line.

"During the application process, it is difficult to assess how much mental trauma an applicant has suffered. So it's not suitable to award compensation simply as a reflection of the time and effort a lawyer has spent on the case," Yang said. He suggested that compensation for psychological trauma could be improved by raising the amount paid in daily compensation, and that diversifying the range of items for which people can be compensated would be a practical way of providing more money for mental trauma awards.

## Culpability

Cheng Lei, an associate professor of law at Renmin University of China, is encouraged by the rise in the number of flawed convictions that have been overturned in recent years.

But a gap still exists between the amounts claimed and the sums awarded, and it will not be narrowed anytime soon, according to Cheng. He believes China should follow the example of the United States, where applicants are allowed to sue individuals and departments responsible for miscarriages of justice.

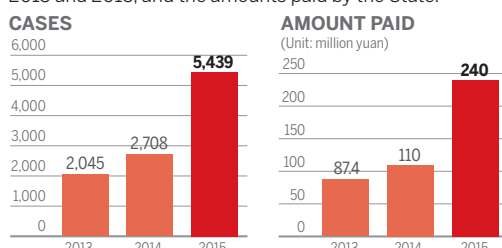
"Identifying individuals and departments and then initiating lawsuits may be a more effective method, because in the US compensation awards in common lawsuits are usually higher than those for claims against the state," he said. Zhang said some items includ-



The family and friends of Nie Shubin, who was executed in 1995, at his graveside the day after his conviction for rape and murder was quashed by an appeal court. CHI TU / FOR CHINA DAILY

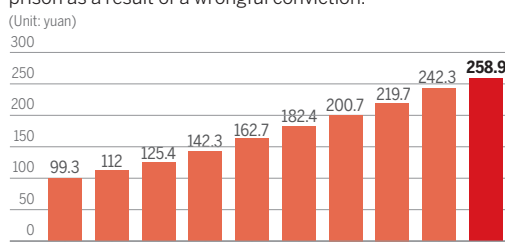
## Paying the price for wrongful convictions

The number of compensation cases concluded between 2013 and 2015, and the amounts paid by the State.



## COMPENSATION

The average compensation paid for each day spent in prison as a result of a wrongful conviction.



Sources: Work Report of the Supreme People's Court, The Supreme People's Court CHINA DAILY

## Recent payments

• The family of Huguilto, a young man from the Inner Mongolia autonomous region who was wrongfully convicted and executed for rape and murder in 1996, was awarded more than 2 million yuan (\$295,000) in 2014, including 1 million yuan for their mental suffering.

• Last year, Chen Man, from Sichuan province, who spent nearly 24 years in jail after being wrongfully convicted of homicide and arson, was awarded 900,000 yuan for mental anguish.

• Last year, Qian Renfeng, 32, from Yunnan province, won compensation of 1.72 million yuan — 500,000 yuan for mental anguish — after being

wrongfully imprisoned for 14 years for murder.

• In 2015, Nian Bin, 41, from Fujian province, received compensation of 1.19 million yuan for physical injuries he sustained during 2,800 days in prison after being wrongfully convicted of killing two children with poison in 2006 — 550,000 yuan was awarded as compensation for Nian's mental anguish.

• In March, the parents of Nie Shubin, who was convicted and executed for rape and murder 22 years ago, were granted compensation of 2.68 million yuan after a retrial last year quashed Nie's conviction. Part of the payment — 1.3 million yuan — was awarded for the parents' mental anguish.

- CAO YIN

ed in applications, such as travel and hotel expenses, are not accepted by certain courts, which indicates a lack of clear legal regulation, indicating that the law should be improved.

The culpability of the judiciary and the police in miscarriages of justice also needs to be urgently addressed, he said.

According to Yang, the problem lies in incorrect implementation of the regulations. "The law clearly states that lawyers and court officials who contribute to miscarriages of justice should be held responsible, but

it is extremely difficult to do that in practice," he said.

"Holding individuals to account for their mistakes would be an important way of ensuring that justice is done, and in promoting the rule of law," he added.

"Knowing that they could shoulder the blame would ensure that officials do their jobs to the best of their abilities and would also help to avoid miscarriages of justice."

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Chen Man (center) speaks to the media after his conviction was overturned. PROVIDED TO CHINA DAILY

# Free, but still fighting

By CAO YIN

Nian Bin spent eight years on death row after being wrongfully convicted of killing two children with poison in 2006. In August 2014, he was exonerated and freed by an appeals court, which said the evidence produced at his trial had been insufficient to guarantee a lawful conviction.

In February, the Fujian province native stepped back into the spotlight. He submitted a second application for State compensation, asking the public security authorities in Fuzhou, the provincial capital, and Pingtan county, where he lived, to pay 4.12 million yuan for improper use of handcuffs and shackles during his years in prison that left him with permanent injuries.

"The illegal use of these restraints injured my brother, and now he is unable to live a normal life," said Nian Jianlan, Nian Bin's older sister.

She said the application included the cost of Nian's medical treatment since leaving prison, "as well as the money I spent during the past decade to clear his name."

However, on May 26, a



Nian Bin

medical expert hired by the Fuzhou Public Security Bureau to examine Nian Bin submitted a report in which he claimed the injuries did not exist.

Meanwhile, evidence previously provided by Nian Bin's lawyer outlining the injuries was deemed insufficient.

Now, the family's lawyer is requesting that the provincial high court rehears the application in an attempt to identify whether Nian Bin's injuries are related to the improper use of restraints.

That seems par for the course, given that since his conviction was quashed, his application for State compensation has been far from smooth.

In 2014, he applied for compensation of more than

150 million yuan (\$22 million) for the time he spent in prison and the psychological trauma he experienced as a result.

In February 2015, Nian Bin was awarded 1.19 million yuan by the provincial high people's court.

His family refused to accept the decision, and appealed to the Supreme People's Court, China's top judicial chamber.

"Such a sum wouldn't solve our difficulties. Our house in Fujian was destroyed (by relatives of the dead children), and I lost my job because I was busy with my brother's appeal," Nian Jianlan said. "Our family also had debts at the time, so we couldn't even afford daily living expenses."

In January, the top court upheld the original award, saying it was the largest sum the provincial court was able to provide in cases such as Nian Bin's.

However, the court suggested the family should instead apply to the local public security bureau for compensation. Under the State Compensation Law, applicants are allowed to change the target of their applications and new information can be included in the submission.



# EXPRESS DELIVERY STEP WILL HELP COMPANIES BOOST THEIR SERVICES

Regulation ensures safety of information after market witnesses rapid expansion



SHI YU / CHINA DAILY

By HU YONGQI  
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Eleven hours, 100 parcels, eight neighboring communities. That's Liu Zili's daily task. His main concern though is not the arduous work but his disappointment that no one seems to trust the deliveryman, though he knows almost everyone in these communities.

During the past seven years, the 43-year-old deliveryman has tried to forge a closer connection with his clients. However, he never truly succeeded because clients were inclined to avoid any personal contact due to scandals and mishaps such as lost parcels and disclosure of personal information.

Liu is well known on the streets but still feels like a stranger in the capital city. His clients' reluctance to get to know him better was perhaps understandable but Liu was disheartened. He said many of his fellow workers share his sentiment.

Recent years have seen a rapid expansion of the express delivery market, demanding further regulation to keep consumers and the sector safer.

A draft regulation on express delivery was approved in principle at a State Council executive meeting, which was presided over by Premier Li Keqiang on Wednesday. Measures will be introduced to simplify procedures for companies to set up new branches and park vehicles, both aiming to reduce the cost of logistics. The new draft stipulates service rules and safety requirements for express delivery companies, stressing on protecting the legitimate rights of consumers as well as express deliverymen. Meanwhile, the draft also sets rules for compensation and information protection.

Further details are still unknown until the draft is released for discussions. It came after the first draft of a

document was released by the State Council Legal Affairs Office in November 2015 to solicit opinions, which focused on key areas; infrastructure, safety concerns and personal information security.

The first half of this year saw 17.4 billion express delivery parcels delivered, up by 31 percent compared to the same period last year, the State Post Bureau said last week. The sector achieved revenue of 218 billion yuan (\$32.1 billion), which increased by 27 percent. As of this month, more than 21,000 companies were running 189,000 branches across the country with more than 2 million employees.

However, consumers still find cause for complaint with 1.3 million submitted to the National Post Consumer Complaint Center in 2016. More than 28 percent of complaints were filed over delayed delivery and another 20 percent over parcels lost on the way to receivers. In

“Systematic risks should be managed to avoid any further disclosure of personal information and any illegal conduct related to personal safety.”

Yang Daqin, researcher at the China Society of Logistics

this sense, the express delivery sector needs more sophisticated regulation.

Express delivery has spread from cities to larger areas in rural communities. As the country promotes the Internet Plus Initiative, a strategy to integrate traditional industries with online services, more parcels have been transported from farmers to the tables of urban residents.

During this process, the number of branches and collection sites has surged, said Xu Yong, chief consultant of the online logistics consultancy cecss.com. Therefore, one certificate required for one company will make it easier to set up branches and will reduce institutional cost for express delivery companies, he said.

The deliveryman Liu said most deliverymen are hardworking and resolute in protecting clients' information. However, some scandals have hurt the image of express delivery companies and stricter management is urgently needed.

Yang Daqin, a researcher at the China Society of Logistics, said the express delivery sector is changing into a comprehensive logistics industry to provide diversified services. The draft should encompass logistics services provided by internet companies, he said.

Express delivery companies possess a huge amount of personal information, including names, addresses and mobile phone numbers. Systematic risks should be managed to avoid any further disclosure of personal information and any illegal conduct related to personal safety, Yang added.

The premier said during Wednesday's meeting that the emerging sector of express delivery can facilitate people's lives and reduce logistics costs, which is also beneficial to spur consumption and economic growth.

“Relevant departments should listen to opinions from all parties concerned with in-depth research, making the new draft a boost to healthy development of the sector and ensure legal rights of consumers and deliverymen,” the premier added.

## POLICY RESPONSE

### Building, inspections among key issues

By ZHANG YUE  
zhangyue@chinadaily.com.cn

Central ministries responded to a series of public concerns in the past week, including construction of small towns, environmental inspections, student subsidies and mine conditions.

#### Building guidelines

The Ministry of Housing and Urban-Rural Development issued a document on the construction of small towns. The style of buildings in these towns has become a heated topic in recent years.

The document makes clear that the construction of “characteristic towns” shall not result in undue disturbance. The construction of high-rise buildings, tearing down existing compounds and blindly copying a foreign culture will not be encouraged when building a new township.

#### Green inspections

The Ministry of Environmental Protection found that 80 out of 366 companies that were inspected were violating environmental protection rules as of July 13.

The result came after inspections in the Beijing-Tianjin-Hebei region and other nearby areas from July 7-13. A total of 44 companies violated environmental protection rules for volatile organic compound emissions. The ministry started the inspection on air pollution control in the Beijing-Tianjin-Hebei region about four months ago.

The past week found 851 companies out of 2,954 reviewed were violating environmental protection rules due to incomplete facilities or excessive emissions. Some 131 companies were found to have no equipment for pollution treatment, while 100 companies had pollution treatment facilities that were not functioning.

Some companies in Hebei are still operating despite previous bans or warnings.

#### Student subsidies

The Education Ministry has responded to a query on the release and supervision of financial subsidies.

A college student from Northeast China inquired of the Ministry of Education why students were still not informed about how universities are fully releasing subsidies.

The Ministry of Education responded in detail about the component of student subsidies for college students.

First, the government helps those families in need to apply for loans from local banks to pay for tuition.

Second, if the student fails to get adequate loans for tuition, the university offers channels for enrollment where his or her tuition and accommodation fees can be paid later.

Third, both the government and universities offer a variety of scholarships or work-study programs through which students can earn money to pay their tuition.

Details about scholarships are also available online.

#### Mine conditions probed

The State Administration of Work Safety conducted a random inspection on conditions on 18 non-metal mines and 10 tailing ponds, which contain the by-products from the mines, in Henan, Liaoning and Jiangxi provinces during the current flood season.

Problems found include inadequate safety protection, lack of work supervision and detection systems as well as inadequate accident-monitoring measures.

The administration requested that 15 mines as well as nine tailing ponds must improve work safety facilities within a required timeframe.

Another four companies found with severe work safety shortcomings were asked to stop production.

## Policy digest

### Nutrition plan provides food for thought

The General Office of the State Council published its national nutrition plan for 2017-30 with the goal of reducing obesity and anemia among students as well as tackling stunted growth affecting pupils younger than 5.

The National Nutrition Plan (2017-30) calls for raising nutritional awareness, stressing that nutrition is crucial to the national health and quality of life as well as social and economic development.

A slew of measures were listed in the new plan, including raising standards of nutrition, perfecting studies on nutritional sciences and nurturing expertise. Legislation on nutrition as well as policy studies will be enhanced. The plan aims to set up a comprehensive nationwide assessment system for nutritional standards by 2020.

At the same time, a more comprehensive shared-data system will be established to benefit residents. Assessment on nutrition and food safety will also be strengthened through surveys, especially for iodine-related nutritional plans. In addition, data will be shared to benefit residents. Knowledge of nutritional health will be a particular highlight, the plan said.

### Medical education reform guideline issued



The State Council's General Office issued a guideline on deepening reforms on medical education, to ensure a more comprehensive medical policy environment by 2020 with better medical expertise.

Efforts will be enhanced through four aspects. First, the government will accelerate steps in establishing a standardized training system for medical expertise. Second, a more enabling structure between supply and demand for medical expertise will be in the pipeline. Third, systematic innovation is needed between teaching and medical training and fourth, the government will offer more incentives to medical professionals.

According to the guideline, medical schools and institutions are required to improve enrollment and work to attract better-qualified stu-

dents. Reform on medical education needs to be further implemented, especially in clinical and traditional medicine. The new guideline calls for enhanced training for general practitioners and pediatricians in particular, together with training in areas including public health, pharmacy, nursing and rehabilitation. It also stressed building educational bases for clinical training as well as training and education for medical expertise after school.

At the same time, medical education in central and western regions will be improved, the guideline said.

### Fees for some ATM withdrawals canceled



The National Development and Reform Commission and China Banking Regulatory Commission have announced that handling fees for withdrawing cash in a different city from where the card is regis-

tered will be canceled. Some other handling fees will also be canceled, such as for reporting card losses. The announcements were made public through websites and mobile applications from all commercial banks.

### Measures to improve household services



The National Development and Reform Commission has released a guideline on improving household services for 2017 together with the Ministry of Human Resources and Social Security, the Ministry of Education, the Ministry of Commerce, as well as the Ministry of Information and Industrial Technology.

The guideline makes clear a 20 percent increase in business revenue, and household service industries are expected to play a bigger role in absorbing the labor force from rural areas, urban laid-off workers, wom-

en in central and western China, as well as the labor force in their 40s or 50s. About 28 million people will be working in the household service industry, the guideline says, laying a solid ground for the industry's long-term development.

### Returned workers to get business help

The National Development and Reform Commission has recently launched applications for pilot regions to support migrant workers who return to their hometowns for entrepreneurship, an effort in line with China's modern urbanization. County-level regions with a comparatively large population of migrant workers, college graduates and veterans are encouraged to apply for pilot policies through recommendation of provincial level government. The government will also, to an extent, favor regions with comparatively heavy tasks in phasing out excess capacity and alleviating poverty. The document also stressed local governments need to fasten steps in nurturing a sound business environment for workers returning to hometowns for entrepreneurship, improving public services while widening financing channels.

ZHANG YUE



# GUANGDONG SHOWS THE WAY

An exhibition of hundreds of paintings and sculptures shows how one province shaped Chinese art since the early 20th century. **Lin Qi** reports.

The National Art Museum of China is for the first time using its 17 exhibition halls to trace the artistic evolution and influence of a single province. The *Destined to Reform* exhibition, now on at the Beijing museum, shows how artists from Guangdong province shaped Chinese art since the early 20th century.

The show features more than 550 paintings and sculptures, which are on loan from public museums, cultural institutions and families of the artists.

The central chamber on the first floor, the most important space in the museum, has ground-to-ceiling photos of 21 prominent members of the Guangdong artist collective.

Guangdong, which occupies nearly one-fourth of the mainland's coastline, was in the forefront of cultural exchanges and social transformations over the past century.

The southern province was known for producing leaders of the 1911 Xinhai Revolution, which led to the end of monarchy in China, and was the forerunner of the country's opening-up and reform.

It was also the birthplace of art reformers who modernized Chinese cultural traditions and was one of the places where contemporary Chinese art first began to flourish.

"For the last 100 years, Guangdong has been the cradle of art. The first-generation artists from the province studied art in Europe and Japan in the early 20th century, and were also among the earliest Chinese to be exposed to art movements across the world," says Xue Yongnian, a theorist from the Beijing-based China Artists Association.

He says that among them were pioneers like Gao Jianfu (1879-1951), who called for reforms in both society and art.

Gao, whose paintings are on show, co-founded the Lingnan School of Painting, an artists' group in Guangdong, which revived the dying ink-brush tradition by introducing oil painting techniques.

Gao graduated from the 130-year-old Tokyo Fine Arts



The ongoing *Destined to Reform* exhibition at the National Art Museum of China in Beijing features more than 550 paintings and sculptures by artists from Guangdong province since the early 20th century. PHOTOS BY JIANG DONG / CHINA DAILY

## If you go

9 am-5 pm, through Sunday. 1 Wusi Dajie, Dongcheng district, Beijing. 010-6400-1476.

School, now the Tokyo University of the Arts. And, with support from Sun Yat-sen, a renowned statesman who led the revolution that ended imperial rule in China, he was devoted to the dissemination of revolutionary ideas

and art education.

The Tokyo school produced several modern Chinese artists, such as Li Xiongcai (1910-2001), a second-generation painter from the Lingnan school, whose works are also on show.

The exhibition features Li's *Patrol in Forest*, which demonstrates his skill in depicting natural scenery.

Chen Lyusheng, the former deputy head of the National Museum of China, says Guangdong's artists played a

unique role in modern Chinese art, not only because they were open to foreign influences, such as oil painting, but because they cared about livelihoods.

"They explored styles that suited the times and the



For the last 100 years, Guangdong has been the cradle of art."

Xue Yongnian, theorist, China Artists Association

needs of the people.

"And as they traveled to other parts of the country, they influenced artists there. As a result they became models for Chinese modern art."

The exhibition also celebrates attempts to renew the face of Chinese art by featuring works of painters like Guan Shanyue (1912-2000).

A reproduction of his *Jiangshan Ruci Duojiao* (How Beautiful the Country Looks), is on show. Guan executed the 9-meter-long work with Fu Baoshi in 1959 on a State commission.

The ink-brush painting, which depicts a magnificent sunrise, was inspired by a poem by the late Chairman Mao Zedong.

Since its completion, it has adorned the entrance hall of the Great Hall of the People in Beijing.

Contemporary artists such as Liang Quan, 69, are also represented at the show.

Liang, who has exhibited at home and abroad, explores the idea of "emptiness" in Zen Buddhism.

The exhibition also pays tribute to female artists from the first half of the 20th century.

One of them is He Xiangning (1878-1972), who is known today more as a social activist and as the wife of senior statesman Liao Zhongkai. Her paintings depict lions.

Li Jingkun, the head of the Guangzhou Academy of Fine Arts, says: "Good artworks are records of history, and by seeing them, one can trace the evolution of thought."

"Viewers can see how artists felt obliged to participate in social transformations."

Contact the writer at [linqi@chinadaily.com.cn](mailto:linqi@chinadaily.com.cn)

## New exhibition gives glimpse of Michelangelo's universe



As an artist and scholar, I needed to understand his mind and how his hands worked."

Antonio de Vito, curator of the show

By LIN QI

Italian artist and art historian Giorgio Vasari (1511-74) published one of Michelangelo's two biographies during the Florentine artist's lifetime. He is also known for writing other artists' biographies.

Although he was criticized for favoring Florentine artists in his writings, most agree that his comments don't exaggerate the status of *David* in art history.

The original 5-meter-high statue of *David* is on display at the Gallery of the Academy of Florence. But a reproduction of the same size is now on show at the Bird's Nest Culture Center, at Beijing's National Stadium, the main venue for the 2008 Summer Olympics.

It is the centerpiece of *The Divine Michelangelo Art Exhibition*, a show which runs through Oct 10.

The show features copies of the Renaissance man's most celebrated works and also his

architectural designs.

In addition to *David*, the reproductions on show include *The Pity*, another signature work, which depicts a seated Mary holding the body of Jesus on her lap.

The original is housed at St. Peter's Basilica in Vatican City. Michelangelo completed the two works before he reached the age of 30.

The exhibition also has reproductions from another body of work — the frescoes on the Sistine Chapel ceiling. The scenes include *The Creation of Adam*.

The reproductions are painted by Antonio de Vito, the exhibition's Italian curator and also a fresco painter based in Florence.

De Vito, who has also done copies of Michelangelo's sketches and drawings, says that the idea behind the exhibition is to provide a look at the artist, so that when viewers finish their tour, they have a basic idea of Michelangelo's great-



Visitors at the ongoing exhibition that showcases copies of Michelangelo's most celebrated works and his architectural designs at the Bird's Nest Culture Center in Beijing. PHOTOS BY JIANG DONG / CHINA DAILY

ness as a sculptor, a painter, an architect and a poet.

"For Michelangelo, it was an easy job to create a comparison of light and shadow in his output," he says.

"That is why he was able to show such vivid faces in his sculptures and paintings. He conveyed the power of these

figures, rather than simply focusing on sculpting or painting the outlines."

A studio has also been re-created at the exhibition to show how Michelangelo sculpted and painted. De Vito will demonstrate in the studio how a fresco was painted in 15th-century Italy.

"As an artist and scholar, I needed to understand his mind and how his hands worked."

"As I recreated these works I came to better understand how Michelangelo was different from other artists."

He adds that the exhibition also shows viewers the hardships Michelangelo faced when painting the Sistine Chapel ceiling.

"Doing a fresco like that is complicated because painters have to execute their work very quickly before the fresh plaster and the pigment mixed with water get dried."

"It became an even more difficult task for Michelangelo, because unlike many other artists of his time, he paid much attention to detail."

De Vito says Michelangelo worked with the same aim when doing sculptures and designing architectures. He says that when Michelangelo sculpted on a piece of marble, he wasn't guided by the whole

picture. He started with the details.

He says that because of the great difficulties involved, today there are very few fresco painters who employ techniques from the Middle Ages.

He says that while Leonardo da Vinci and Raphael also tried doing frescoes, Da Vinci could not make a success out of it, while Raphael had many people assisting him. In comparison, Michelangelo worked alone.

De Vito says the exhibition shows that Michelangelo still connects with today's world.

He says that although technological advancements have brought much convenience, the Florentine master's view still holds true that men should be the "managers" of themselves and should "defend" what they believe.

"He sculpted *David* out of marble. He set an example of what an artist should do — creating something out of nothing."





# Making France's day

A recently opened bistro in Beijing celebrates the best of the country's favorite foods, Mike Peters reports.

The French celebrated their national day on the weekend, an occasion that inspires plenty of Champagne-swilling and fine dining. But since the spirit of Bastille Day suggests a movement away from the Versailles-ish lifestyle, it's a good time of year to explore French food that's a little less gilded.

Which is not to say less delicious. Beijing's French restaurant scene has long favored the chandeliered style, but several excellent bistro-type eateries have opened in the capital lately. The latest is Bistro 108, tucked in a new dining street just opposite the US embassy and a stone's throw from the French.

The joys of a recent visit began for us in a glass: The house rose, not too dry and not too sweet, made for a smooth aperitif that also paired nicely with the seafood and duck dishes that came later. It's a mere bagatelle on the bill at 25 yuan (\$3.70) a glass. The restaurant represents the J.P. Chenet winery in China, giving it an exclusive opportunity to offer that value.

Our recent visit began with a small plate of hot-from-the-oven baguette, including some slices with a crispier crust. The restaurant orders the bread from outside half-baked, our server tells us, and then pops it into the oven to be finished. There is, of course, real butter to go with it.

Our starter choice was the most popular one, judging from a quick look around the small eatery. The cast-iron skillet of fruits *de mer* (of the sea) included tender squid, scallops, shrimps and some delectable tiny clams, fried with white wine and whipping cream flavored with fine herbs. It's 58 yuan and generous enough to share if you're also trying to save room for dessert.

Mains were as sensational as local magazine reviews suggested they'd be.

The confit *canard* (88



Clockwise from top: Fish tartare with crunch vegetable and passion fruit; *gambas flambes au pastis*, a trio of king prawns flamed in a boozy sauce with herbs and aniseed; *canard*, a French duck leg served with fried potatoes and a vegetable; *au chocolat*, or chocolate lava cake. PHOTOS PROVIDED TO CHINA DAILY

yuan) is a French duck leg served with fried potatoes and a vegetable.

The duck is French for reasons beyond snobbish authenticity. Chinese ducks, obviously of renowned quality, are quite different birds, a species chosen to produce fat

bodies and not so consequential limbs. The French, of course, are said to have an eye for a shapely leg, and for this traditional French classic, the leg is what it's all about. So the restaurant sources big birds from the motherland raised to produce lean but substan-

tial legs. The final quick-fry gives it a deliciously crunchy skin that can get a bit oily if you allow the dish to cool, so get those WeChat shots done quickly and enjoy the hot, savory goodness.

The vegetable on this day is a thick slice of tomato grilled

## If you go

Open for lunch and dinner six days a week (closed Mondays); 104 Cao Chang Plaza (across from the US embassy), 19 Tianze Lu, Chaoyang district, Beijing. 010-5710-8106.

with herbs, a side that is often watery and forgettable. Here it's a flavor bomb, reflecting the careful sourcing that owner Clement Bacri and chef Nadia Meliani clearly take pride in. This tomato was a triumph of summer ripeness, exploding with the earthy goodness of the countryside.

We also tried the *gambas flambes au pastis* (158 yuan), a trio of king prawns flamed in a boozy sauce rich with herbs and aniseed. Beautifully presented with the shellfish sprouting from a mound of mashed potato, it's served with a savory side of sauteed chopped tomatoes (again a star), yellow zucchini and tender asparagus.

Lyons native Meliani has also won local praise for her beef dishes, including a zesty *boef Bourguignon* (88 yuan) braised in red wine with garlic, onions and fine herbs that sells out early. *Cote de boef* is an Australian prime rib of beef served with three kinds of sauces, mashed potatoes, fries and salad. At 568 yuan per kg, it's the big-ticket item on a menu that overall is nicely medium-priced.

Dessert is well-worth saving room for. It's tempting to describe the fondant *au chocolat*, or chocolate lava cake, as Beijing's best, but we tend to think that about every version of this sweet we've ever met. Suffice it to say this one is pure delight. The same can be said for the apple tart, a thin-crust apple pie that ripples across the plate to give a scoop of vanilla ice cream a warming embrace.

The restaurant's name is a bit of a dodge on bad luck. The actual address is 104 — not a happy number in Chinese — so the name became Bistro 108.

"I've been a food lover since I was born, and it was my dream since I was a kid to open my own place one day," says Bacri, whose professional background is in fashion and events. "I was waiting for the right place and the right moment."

We'd say the moment has arrived.

Contact the writer at michael.peters@chinadaily.com.cn

## Ancient Brews reveals tasty history of alcohol

It's easy to find cold brews on summer days, but here's a twist: a journey back to the alcoholic beverages that people drank thousands of years ago.

Patrick McGovern, a renowned scientist and passionate lover of fermented beverages, brings the history of ancient brewing alive with this fun, tempting and thought-provoking book, *Ancient Brews: Rediscovered & Re-created*. McGovern is director of the Biomolecular Archaeology Project at the University of Pennsylvania in Philadelphia. For more than three decades he's been a pioneer in archaeological chemistry — a field that combines old-school fieldwork with cutting-edge technology such as mass spectrometry and DNA analysis.

The new lab tools are able to identify the chemical makeup of astonishingly small beverage traces that remain on ancient artifacts, such as the stains on beverage containers found in the Egyptian pyramids. McGovern and other researchers then match the chemical fingerprints to various grains, fruits and spices, and come up with a kind of reverse recipe, brought to life thousands of years after the original beverage was originally consumed.

*Ancient Brews* is a geeky and tasty way to learn about ancient history, and the science of booze. McGovern explains the chemistry of fermentation, the molecular components of alcohol (two carbon atoms, six hydrogen, one oxygen) and how our love of alcohol probably originated more than 100 million years ago in the Cretaceous Period, when flowering plants appeared and fruit flies developed specific genes to process alcohol.

But McGovern isn't entrenched in the past. The book contains numerous recipes for home brewers, created in collaboration with Sam Calagione, founder of Delaware's Dogfish Head Brewery. There are also food suggestions based on archaeological findings.

The recipe for the accompanying beverage has some



*Ancient Brews: Rediscovered & Re-created*, by Patrick McGovern, brings the history of ancient brewing alive. AP

familiar beer ingredients (malt extract, honey and hops) but also twists: saffron threads and grape juice. That's a theme in the book: McGovern shows that people had exotic tastes thousands of years ago, all over the world.

Numerous archaeological sites now reveal that ancient people often combined what we call beer (fermented grains) with wine (fermented grapes), and also experimented by adding a vast range of local herbs and flavorings.

*Ancient Brews* includes history, science and recipes for several other drinks: Kvasir, inspired by evidence from a 3,500-year-old Danish tomb, uses meadowsweet (or mead wort), yarrow, birch bark and lingonberry.

Ta Henket, inspired by ancient African beverages, includes crushed wheat, flour, hops, dried dates, Irish moss, chamomile, Za'atar (a Middle Eastern spice) and a touch of salt.

Chateau Jiahu goes farthest back in time, to 9,000 years ago in northern China, where people made a beverage that combined fermented rice, grape juice, honey, hawthorne and orange peel.

McGovern's mix of gee-wiz science and thoughtful historical context makes *Ancient Brews* a refreshing read, for the summer or any other season.

ASSOCIATED PRESS



Study finds that consuming more whole grains, fruits, vegetables, and fatty fish may boost one's chances of living longer. PROVIDED TO CHINA DAILY

## Small diet changes may prolong life: study

MIAMI — It's hard to eat right all the time, but making small improvements by choosing healthier foods now and then may significantly boost one's chances of living longer, says a US study.

The report in the New England Journal of Medicine is the first to show that improving diet quality over at least a dozen years is associated with lower total and cardiovascular mortality.

Researchers at Harvard University tracked dietary changes in a population of nearly 74,000 health professionals who logged their eating habits every four years.

Researchers used a system of diet-quality scores to assess how much diets had improved. For instance, a 20-percentile increase in scores could "be achieved by swapping out just one serving of red or processed meat for one daily serving of nuts or legumes," says a summary of the research.

Over the 12-year span, those

who ate a little better than they did at the start — primarily by consuming more whole grains, fruits, vegetables, and fatty fish — saw an eight to 17 percent lower risk of dying prematurely in the next 12 years.

Those whose diets got worse over time saw a higher risk of dying in the next 12 years of follow-up, on the order of a six to 12 percent increase.

"Our results highlight the long-term health benefits of improving diet quality with an emphasis on overall dietary patterns rather than on individual foods or nutrients," says senior author Frank Hu, professor and chair of the Harvard Chan School Department of Nutrition.

"A healthy eating pattern can be adopted according to individuals' food and cultural preferences and health conditions," he adds.

"There is no one-size-fits-all diet."

AGENCE FRANCE-PRESSE





*Email Trek*, an installation by Chinese artist Xu Wenkai, is on display at the Beijing exhibition *Heart of the Tin Man*. PHOTOS PROVIDED TO CHINA DAILY

# Heart of the matter

An ongoing art show in Beijing sheds light on the importance of human emotions in our tech era. Xing Yi reports.

A dozen artists are presenting an exhibition by simulating sight, smell, touch and sound at the M. Woods Museum in Beijing.

Running from July 1 to Oct 8, it is titled *Heart of the Tin Man*, and reveals alternative modes of creativity and expressions.

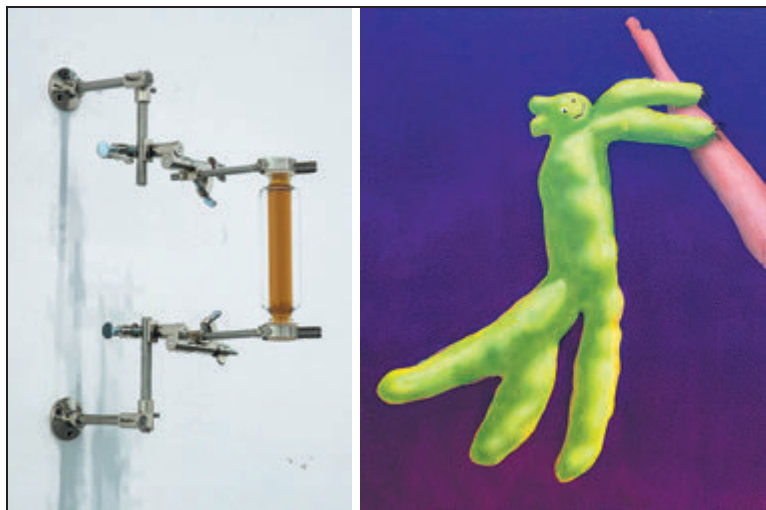
The curator of the exhibition, Huang Xufu, is also a co-founder of the museum.

Huang, 23, has just graduated from the University of Pennsylvania in the United States. On the opening night of his first curated show, he was busy showing people around.

The idea of the show came after he met one of the artists whose work is on display.

"During one of my visits to Austine Lee (the artist), he spray-painted an image of me while I was 'glued' to the phone," Huang says. "I look like a 'tin man' in the painting."

Speaking about the concept of "tin man" — the show's theme, Huang says technology enables people to share information quickly and freely and everyone has a wider access to information and a chance to be heard. But at the same time, it's eating up people's lives so much that they have stopped paying attention



An installation (left) by US artist Sean Raspet and *Falling Cat*, a painting by US artist Austin Lee.

**The exhibition is focusing on the two sides of technology, encouraging people to quit technology for a while."**

Huang Xufu, curator

## If you go

10:30 am-6 pm, through Oct 8, Mondays closed.  
D-06, 798 Art Zone,  
2 Jiuxianqiao Road,  
Chaoyang district, Beijing.  
1881-1525-835.

to real things, such as their emotions.

British artist Gillian Wearing showcases her project *Your Views*, which she put together after inviting people across the globe to upload onto her website short video clips taken from windows.

It is "the largest collaborative film ever made," says Wearing.

As curtains open, the screens show vistas from Kobe to Alaska. It reminded people at once of the world's vastness and connectivity through different ways.

"In places where technology is fairly underdeveloped, for instance, Africa, we get the most fabulous views," Huang says.

"The exhibition is focusing on the two sides of technology, encouraging people to quit technology for a while and to feel the world with their original senses."

Another co-founder of the museum, Lei Wanying, better

known as Wanwan, says the metaphor of the "tin man" comes from *The Wizard of Oz*, in which the character is looking for a real heart.

"With the increasing forms of art and the integration with technology, the essence of art is never changed by its medium or shape, because it has heart," says Lei.

Lei's favorite part of the exhibition is a replica of a room, where artist Yang Zi works and lives when she visits the Labrang Monastery in the Gannan Tibet autonomous prefecture in Gansu province.

In the 4-square-meter room stands a table on top of which are placed several smartphones with drawings created by the artist.

Yang used to live in a big city before she moved to the lesser developed region. Now, the focus of her daily life is observation and meditation.

"My mind is very clear, I don't even dream at night, and

I get up very early every morning," Yang says.

"I know exactly what to do, one thing that does not change is that I crank the prayer wheel every day."

The living conditions aren't perfect in Gannan, with limited daily resources and the lack of entertainment options.

Yang relies a lot on her smartphone for drawing after she found out about software she can use to create her new worlds, especially in red, yellow, blue, green and white — the colors representing the elements fire, land, water, wind and the sky. These five colors are found in prayer banners that flutter in Gannan and other places where Buddhism is popular.

"It's not important for the audience to see my drawings, the important thing is to make them sit down and spend a minute to think about how I made them, and then they must be connected to my art," Yang says.

"We should pay more attention to our hearts, and it's the aim of the exhibition to activate the emotions inside us."

Another eye-catching installation on display is *Dominae Illud Opus Populare* by British artist Ryan Gander.

With the technology of facial recognition and motion sensor, a pair of animatronic eyes is replying to people's facial expressions with emotions including surprise, anger, curiosity and concern.

The relation between artworks and audiences is overturned — the observers are now observed by the artwork, the artist explains.

*Xu Haoyu contributed to this story.*

Contact the writer at [xingyi@chinadaily.com.cn](mailto:xingyi@chinadaily.com.cn)

## 3-D used to make Bronze Age man's face

LONDON — Academic "time detectives" from Liverpool have used 3-D digital technology to reveal the face of a Bronze Age farmer who lived in middle England 4,000 years ago. Experts from Face Lab at Liverpool John Moores University used the technology based on a study of the man's skull.

The man's skeleton was found in an ancient burial ground in the county of Derbyshire in the 1930s. For the past 30 years the bone remains have been part of a collection at Derbyshire's Buxton Museum in a scenic area of Britain known as the Peak District.

But until now nobody had been able to imagine what the man looked like in life.

The project is part of a heritage effort to connect the museum's collections to the surrounding landscape.

Joe Perry, assistant collections officer at the museum, says it was important to put a face to the Bronze Age remains.

Caroline Wilkinson from Face Lab says clay was used in the technique to help build the face.

It is always a thrill to see

the process work on ancient people, she says, adding: "It's a surprise to people when they look like us, it creates more empathy."

The skull of the man was found damaged inside a stone box at the old burial ground known as Liff's Low. A type of beaker and a stone pendant were found along with the human remains.

Perry says there was a need for humanity with the Liff's Low skeleton.

"We need to make people think about the skeleton as a person who lived and worked in Derbyshire. We have a duty of care to the deceased, we wanted to emphasize that these are people," he says.

Perry says the man could have been about 35 when he died and spent his life farming within the district.

It is believed the stone box he was buried in collapsed, causing damage to the front of his skull.

The remains, along with the image of the Peak District's most famous farmer, will go on public display when the museum reopens in September.

XINHUA



Qufu, the hometown of Confucius, hosts a ceremony to pay tribute to the sage on April 2. PROVIDED TO CHINA DAILY

## Confucius museum to open in 2018

JINAN — A Confucius museum under construction in the hometown of the ancient Chinese educator and philosopher will be home to more than 700,000 relics, including well-known Confucius family documents, sources with the museum said on Saturday.

A display plan of the museum, which is expected to open in the second half of 2018, was finalized following a meeting in Qufu city of Shandong province earlier this month.

The major museum complex in Qufu consists of an 11,000-square-meter display area, 7,000 square meters of warehouses and a 1,000-square-meter cultural heritage restoration center, says

deputy curator Yang Jinquan. The items to be displayed on rotation include more than 300,000 documents of the Confucius family from the Ming Dynasty (1368-1644) up to 1948 that contain details of the family history during feudal times.

In addition, there will be more than 40,000 books dating back to the Song Dynasty (960-1279) and more than 8,000 pieces of clothing and accessories from the Ming and Qing (1368-1911) dynasties.

Confucius (551-479 BC), an educator and philosopher, founded Confucianism, a school of thought that deeply influenced later Chinese generations.

XINHUA

## Ancient art inspires ink painter to create modern work

By DENG ZHANGYU  
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Ma Xiaotian has been painting lotus flowers at his studio in Beijing even in the July heat.

The ink painter says the dark green leaves and pink flowers on paper "have a magical power to cool his body and mind."

He has just completed a painting, more than 1 meter in height, which took him three days to finish, from early morning to late night.

"When painting lotus leaves, I use the technique of *lishu* (a style of Chinese calligraphy)," says the 55-year-old artist.

Lotus is one of his favorite topics. The painter has also painted figures, birds and flowers, and landscapes — all

of which have been included in his new book released in spring.

A solo show is under plan and will be held by the end of the year, he says.

The book has more than 100 pieces of ink-and-wash paintings, almost half of which are figures, such as men fishing on a boat, children dragging a cow or an old man playing the *guqin* (a traditional zither) under a tall tree.

The earliest figure painting in the book is one depicting a beautiful woman in ancient clothing, which Ma painted at the age 17. The piece won him a national prize and encouraged him to explore the art form for a lifetime.

Unlike many other Chinese painters who went to art colleges to learn the skills, Ma



Ma Xiaotian works on his ink creation in his Beijing studio. PROVIDED TO CHINA DAILY

didn't train at such an institute. He learned from different painters he admired.

The Beijing native started painting in his teens. He also

started to work at a communication company by the time he was 17. He spent all his spare time on ink paintings after work. He tried his best to

make friends with master painters, such as Huang Yongyu, and learn from them in person.

"Only when I paint I feel like myself and I feel happy," the artist says.

Li Yanan, a longtime friend of his, says Ma usually uses his ink brush instead of a pen to take notes during meetings.

Ma once ran a telecommunication business and set up a separate painting space at his office.

"We were shocked that he suddenly closed down his business five years ago and said he would devote all his time to Chinese painting," Li says.

In the last five years, Ma has learned different styles from ancient and modern masters, while trying to find his style.

Although he has tried various

techniques, the one thing he has stuck to is painting based on ancient skills but with a modern mindset.

He says he is a firm defender of traditional Chinese painting, which both looks good and reflects the painters' inner mind.

"We should have confidence in our own culture and art," says Ma, wearing a Chinese-style jacket and sitting at a tea table.

He likes to read books and ancient Chinese poems. In his studio, there are lots of books on his desks and bookshelves.

"Chinese art emphasizes the cultivation of a person's mind. It needs one's life experience, knowledge of literature and great painting techniques," says Ma, adding that a lifetime is needed to explore such art.



*The Mountain and the Boat in the Fall*, ink painting by Ma.



# COMMENT

## EDITORIAL • OPINION

中国日报  
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### EDITORIAL

## Growth momentum even stronger with reforms

**E**arly this year, China watchers expressed concerns that the country's economy might start to weaken in the second quarter. However, the latest data from the National Bureau of Statistics show such concerns were unfounded, and the world's second-largest economy remains resilient.

The economy expanded by 6.9 percent in the second quarter from a year earlier, the same as in the first quarter, according to the figures released by the NBS on Monday. Even more encouraging, key indicators, such as industrial output and consumption, reveal that improvements are being made in adjusting the country's economic structure.

Investment in high-tech industries, for example, increased by 21.5 percent, 12.9 percentage points higher than overall investment growth, while retail sales of consumer goods grew 10.4 percent year-on-year, up from 10 percent in the first quarter. And the service sector, which already accounts for 54.1 percent of the overall economy, expanded 7.7 percent year-on-year in the first half of the year. According to the NBS, domestic consumption now accounts for 63.4 percent of GDP growth, which highlights the progress China is making in its bid to make innovation and domestic demand the drivers of economic growth.

Considering that this performance has been achieved against the backdrop of efforts to reduce excess production capacity and cut corporate debt levels, the figures are not only impressive, but also suggest the country has managed to successfully strike a balance in its bid to promote economic growth and restructuring.

Looking to the future, China will continue to press ahead with its tasks of reducing excessive production capacity, cutting real estate stocks, and lowering corporate debt levels, while further strengthening its environmental protection and water conservancy efforts.

Although policymakers will need to remain alert to the possibility of slower growth in the third quarter, there can be little doubt that the country is on course to achieve its pre-set GDP growth target of "around 6.5 percent" for the year.

With its growth target attainable, and the economy maintaining stable and coordinated development, the leadership has more room to push ahead with economic restructuring and reforms. Financial reform, for example, is on the cards, after the country consolidated its financial regulatory power at the newly-concluded National Financial Work Conference, which ended on Saturday.

And further headway in advancing the necessary reforms will in turn make the Chinese economy more efficient, competitive and sustainable in the coming years.

### TO THE POINT

## Financing the real economy

**T**hat the evolution of the supply side lags behind that of the demand side is the hard nut to crack for China's economy to develop in a healthy manner.

This is true for the financial industry, which is supposed to provide financial service to the real economy in an efficient manner, as the weekend National Financial Work Conference has noted. However, it has long been difficult for small and medium-sized enterprises to get funds from financial institutions.

When it comes to providing loans or other financial services, financial institutions need to work out ways to make sure their loans go to where the money is really needed and where the money will make a difference to the production of needed products.

They should abandon the fantasy that their old profit model, which is largely based on the State-controlled differences in deposit and loan interest rates, can be sustained.

Given the slower economic growth that is the new normal for China's economy, it is irrational and irresponsible for the banks to make profits by using their money in the form of financial derivatives that circulate within areas far away from the real economy.

The need to restructure the financial industry is no less urgent than upgrading the real economy. The financial institutions should form a multi-layer financial system that boasts comprehensive financing functions, with effective supervision over financial risks and protection of investors' legal rights and interests.

The days when the financial institutions could profit from the toil of others no longer exist. Now their profits will depend on how well they serve their customers, and how attractive their services and products are compared with those of their competitors.

The State-owned large banks as well as small and medium-sized banks and private financing agencies must expedite their strategic transition, with a view to improving the quality of their services and efficiency.

All financial institutions should speed up the transformation of their business models to reduce the cost of financing the real economy and create value in the service of economic and social development.

— PEOPLE'S DAILY

Lin Min



### OPINION LINE

## Time to change the minimum wage system in line with current realities

**AS OF SATURDAY**, 11 provincial regions, about one-third of the total, had raised their minimum wage this year. But the average growth rate of about 5 percent is a record low in recent years. Gmw.cn comments:

After the adjustments, the highest minimum monthly wage is 2,300 yuan (\$340) in Shanghai, and the lowest is 1,000 yuan in South China's Guangxi Zhuang autonomous region.

In fact, the average growth in the minimum wage nationwide has dropped markedly since the 22 percent in 2011.

The lower minimum wage hike is understandable, given the overall economic situation.

Take Guangdong province for example. Although Guangdong's GDP was \$1.17 trillion last year, similar to that of Mexico, which is ranked the 15th-largest economy in the world, the province faces a great challenge transforming and upgrading its labor-intensive industry.

That the Guangdong provincial government recently announced it will raise the minimum wage once every three years from this year, instead of once

every two years, reflects the challenges the largest provincial economy in China faces adjusting its economic model.

China implemented a minimum wage system on March 1, 2004, in which the lowest wage benchmark is raised at least once every two years.

Guangdong is obviously violating the minimum wage rules by proposing to increase the minimum wage in the province every three years instead of every two. But this shows it is time to amend the rules, which have remained unchanged for nearly 15 years, so they reflect the global economic realities.

A similar decline in the wage growth trend can be observed in the United Kingdom and the United States.

The minimum wage standards should be settled according to local consumer price index changes, economic growth momentum and the financial resources of the local government.

## Weigh the pros and cons of new things

**URBAN PATROL OFFICERS IN NANCHANG**, East China's Jiangxi province, have impounded a total of 26,000 short-time hire bikes illegally parked on the city's streets. Beijing Youth Daily commented on Monday:

The provincial capital's tough response to the illegally parked bikes has reignited the debate over how to manage the station-less, GPS-enabled hire bikes that have become a common sight in Chinese cities. Some argue that the authorities should adopt an open attitude toward the bikes as they are part of the sharing economy, and the Nanchang urban patrol officers risk a serious waste of resources by withholding that many bikes. Others argue the bikes are a nuisance and are just a new business model for hiring bikes rather than part of a sharing economy.

While the authorities should keep an open mind to new things, they should not turn a blind eye to their downsides either.

Hailed as a near-perfect solution to the last-mile dilemma facing urban commuters, the influx of short-time hire bikes has not only resulted in them

being chaotically parked but also caused safety risks in many cities.

It will be just a matter of time before they take over the sidewalks if local governments do not intervene. Neither the bike-providers nor their enthusiastic investors have solved the parking problem. They need to cooperate with the local authorities and abide by the new regulations that have been introduced.

On their part, the authorities should implement the rules flexibly and proactively. The traffic police in Shenzhen have set a good example by temporarily banning 13,615 people who violated traffic regulations from using shared bikes. The police have already notified the bike-renting companies to deactivate the user accounts of these users for at least a week.

## Authorities should keep an open mind about sleep cabins

**A BUSINESS** in Zhongguancun, a technology hub for startups in Beijing, which offered capsule-like rooms on a short-term basis, has been ordered to suspend operations, raising questions about the future of such hotels. Beijing News commented on Monday:

Places offering WiFi-enabled sleep cabins that are sanitized by means of ultraviolet light, which users can check in and check out by using a smartphone, have been gaining popularity in many cities. Not least because the charges are reasonable: 10 yuan (\$1.5) per half-hour for peak times and 6 yuan for every 30 minutes during off-peak times.

Reminiscent of capsule hotels, the places offering such sleep cabins target urban white collar workers, many of whom work overtime, who want a place to take a nap during the day.

Why the Zhongguancun-based business was shut down remains unclear. Local authorities have not taken further actions against other short-time sleep cabins elsewhere. They are right to bide their time instead of rushing to impose a complete ban on the budding service.

It is still early to say whether such sleeping cabins are a good idea or not, as they are a new business model.

Most sleep cabins are inside office buildings, and their air conditioning and soundproofing are flawed. Whether users are allowed to spend the night after the buildings are closed and who is responsible for their safety are yet to be determined.

More importantly, the licenses required to operate sleep cabins may be tricky to draw up. That, of course, calls for up-to-date, flexible policy-making to ensure the service is properly regulated.

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### HOT WORDS

## Financial Stability and Development Committee under the State Council

国务院金融稳定发展委员会  
(guówùyuàn jīnróng wěndìng fāzhǎn wéiyuánhui)

President Xi Jinping said during the two-day National Financial Work Conference, which ended on Saturday, that China will set up the Financial Stability and Development

Committee under the State Council.

The establishment of the committee will help strengthen oversight of the financial system to contain risks.

Financial security is a significant part of national security, and the government should take the initiative to monitor, warn against and deal with systemic financial risks in a timely manner, with the central bank playing a stronger role in macro-prudential management.

The government will also enhance coordination and connectivity among the financial supervisory organizations and promote the

sharing of information.

Reforms of the financial regulation framework will be based on China's domestic conditions and all financial businesses will be put under supervision.

According to experts, the government will further enhance financial regulation and promote institutional regulation to prevent financial risks.



Online  
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Zhang Zhixin

# Dialogue can reduce trade frictions

The first round of a comprehensive economic dialogue between China and the United States will be held on July 19 in Washington under the co-chairmanship of Chinese Vice-Premier Wang Yang, and US Secretary of Treasury Steven Mnuchin and Secretary of Commerce Wilbur Ross. It will be one of the many first rounds of future dialogues, which also include those on law enforcement, cybersecurity, and people-to-people and cultural exchanges.

The decision to hold the comprehensive economic dialogue on Wednesday was confirmed by President Xi Jinping and US President Donald Trump on the sidelines of the G20 summit in Hamburg, Germany, where Xi told Trump the 100-Day Action Plan on China-US economic cooperation has made notable progress and both sides are working on a one-year cooperation

plan.

Compared with the annual US-China Strategic and Economic Dialogue held between 2009 and 2016, the upcoming dialogue will focus more on concrete negotiations and aim to "get things done" before due time.

Last week, more than 20 enterprises from both sides signed agricultural transaction contracts worth at least \$5 billion in Des Moines, Iowa, as China has reopened its market to US beef products for the first time since 2003. Under the contracts Chinese enterprises will import 12.53 million metric tons of soybeans and 371 tons of pork and beef from the US, which in turn is expected to import Chinese poultry products.

These early gains explain what the 100-Day Action Plan, which was agreed by Xi and Trump just three months ago, has the potential to achieve. They also indicate that the Trump administration

**These early gains explain what the 100-Day Action Plan, which was agreed by Xi and Trump just three months ago, has the potential to achieve.**

wants a result-oriented relationship with Beijing.

The July 19 meeting will likely facilitate negotiations on agricultural exchanges, financial services, investment and energy, all

key areas of the 100-Day Action Plan, which is proving to be more constructive and fruitful than some skeptics were ready to accept. Flagship deals inked under the framework of the action plan have helped both countries avert a possible trade war and restore their faith in trade cooperation. They have also set an apt example for the year-long cooperation program.

Beijing's pursuit of free trade is resonating in other economies, too. Earlier this month the European Union and Japan concluded an outline free trade deal in Brussels, sending a message to the international community that two of the world's biggest economic powers will uphold free trade even if the US seems to have taken the opposite course.

The EU-Japan FTA, which would account for 30 percent of the global GDP, would allow Japan to export more cars to the Europe-

an markets and the EU to export more farming products to Japan. It could also prompt Trump to reconsider his "America First" credo and protectionist policies, as well as help China and the US to finalize their bilateral investment treaty.

China-US relations, in essence, are both about cooperation and competition, as are their economic ties. And the comprehensive economic dialogue is expected to reduce the side effects of competition and trade frictions, while instilling in both sides a stronger sense of trust and understanding, as trade remains the cornerstone of one of the world's most important bilateral relationships.

*The author is head of American Political Studies at the Institute of American Studies, China Institutes of Contemporary International Relations. The article is an excerpt from his interview with China Daily's Cui Shoufeng.*

## Stick to openness while defending Paris Agreement



Fu Jing

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After US President Donald Trump said he would pull out of the Paris agreement on climate change, French President Emmanuel Macron replied that he was on a mission to "make our planet great again", a play on Trump's catchphrase, "Make America Great Again".

Macron has met Trump's rejection with a celebration of the signing of the historic agreement, which 153 out of 197 parties to the United Nations Framework Convention on Climate Change have ratified.

In spite of Trump's antipathy to the consensus on climate change, which seeks to mitigate greenhouse gas emissions between 2020 and 2030, Macron has adopted a pragmatic approach by engaging him and trying to bring him back on board, after the other leaders of the G20 agreed in Hamburg that the Paris Agreement is irreversible. Macron has recently planned to organize a climate summit to mark the second anniversary of the signing of the Paris Agreement on Dec 12 in France.

The French president has even been rewarded with positive noises from Trump during his visit to Paris on July 13-14 and the concession that "something could be done" on the issue.

Macron's next task should be to ensure that no further countries follow the US and pull out of the Paris Agreement. For example, Canada followed the US' lead by abandoning the Kyoto Protocol.

**While climate is high on Macron's agenda, the French president has also said he wants to alter the regulation on trade and investment ... Macron must accept the reality that openness has already benefited his country, the EU and the world ...**

But Macron is proving to be a stout defender of the Paris Agreement. Within weeks of his presidency, Macron has shown his pragmatism by actively engaging China, the US, Germany and other global players and extolling the benefits of coordinated action on climate change.

China and France are united in defending the Paris Agreement.

He has also invited US climate researchers to France and even focused on climate finance, which has long been an issue that needed to be addressed by rich countries.

While climate is high on Macron's agenda, the French president has also said he wants to alter the regulation on trade and investment.

Macron needs to be very cautious in shaping his vision of Europe. Right now, he is trying to tighten scrutiny of foreign investment activities in the European Union, which is signing free trade agreements with some of its partners.

For politicians, market protection and protectionism seem very similar but the former is acceptable, while the latter is one step too far. Macron must accept the reality that openness has already benefited his country, the EU and the world by promoting technology transfer, capital injection and inward investment. For the EU, its priority should be to trim bureaucracy, instead of beefing up its regulations.

The US also scrutinizes investment in the name of national security. But this mainly works as a barrier and sometimes a useful card to play.

The EU, a global leader of climate protection, free trade and an open economy, should not follow such old-fashioned practices. What's more, the essence of the Paris Agreement is global development paradigm change, and ample finance and technology transfers from the rich countries can help less-developing countries avoid development traps and environmental woes.

France has played a major role in defending international cooperation on climate change. It should approach trade with the same spirit. If so, the numerous goals in the Paris Agreement could be turned into reality faster than expected.

Qiao Xinsheng

# Protecting juveniles from game addiction

Article 19 of the General Rules of Civil Law says: "A minor attaining the age of 8 is a person with limited capacity for civil conduct (or limited disposing capacity), who shall be represented by his or her statutory agent in performing juridical acts or whose performance of juridical acts shall be consented to or ratified by his or her statutory agent, but may alone perform juridical acts which purely benefit the minor or are commensurate with his or her age and intelligence."

Disposing capacity means the mental ability or state of mind at which a person should possess to prepare a valid will. It is also known as testamentary capacity.

And Article 20 of the law says: "A minor under the age of 8 is a person without capacity for civil conduct, who shall be represented in performing civil juridical acts by his or her statutory agent."

According to the two articles, if a legal dispute were to arise

over juveniles' addiction to online games, their statutory agent should perform civil juridical acts in their interests. And any contract a child becomes a part of or the payments he or she makes will be valid under the law only after his or her legal representative confirms it. Which means game providers cannot force a child's legal representative to take up the financial responsibility of the child's actions under any circumstances.

This also means, if children buy online game equipment using their parents' bankcards, game providers and software developers have the responsibility to check who exactly is making the payment, even if they have to use special technology for that.

But some game providers and software developers say it is difficult to determine a user's identity in the virtual world, and therefore they cannot be blamed for children's addiction to online games and the money they squan-

der on them.

But a series of laws and regulations has made real-name registration mandatory. Besides, we can learn from the rules of countries that require game providers and software developers to design targeted protective measures for juveniles. For example, public libraries in developed economies such as the United States have installed special software to prevent children from indulging in online games or browsing porn websites. In fact, latest technologies can be employed to identify online game users, so game providers can use the accumulated data to protect children against addiction. To be honest, game providers such as Tencent have started using technical measures to curb children's gaming time.

Game providers and software developers cannot absolve themselves of the responsibility of employing effective technical

measures to protect children against online game addiction. If they don't do so, they should be held responsible for the legal consequences.

I have two suggestions in this regard. First, the authorities should further strengthen the Cybersecurity Law. Only stricter regulations, some of which could be applied to specific cases, can prevent software developers and game providers from taking advantage of the legal loopholes to continue their business as usual.

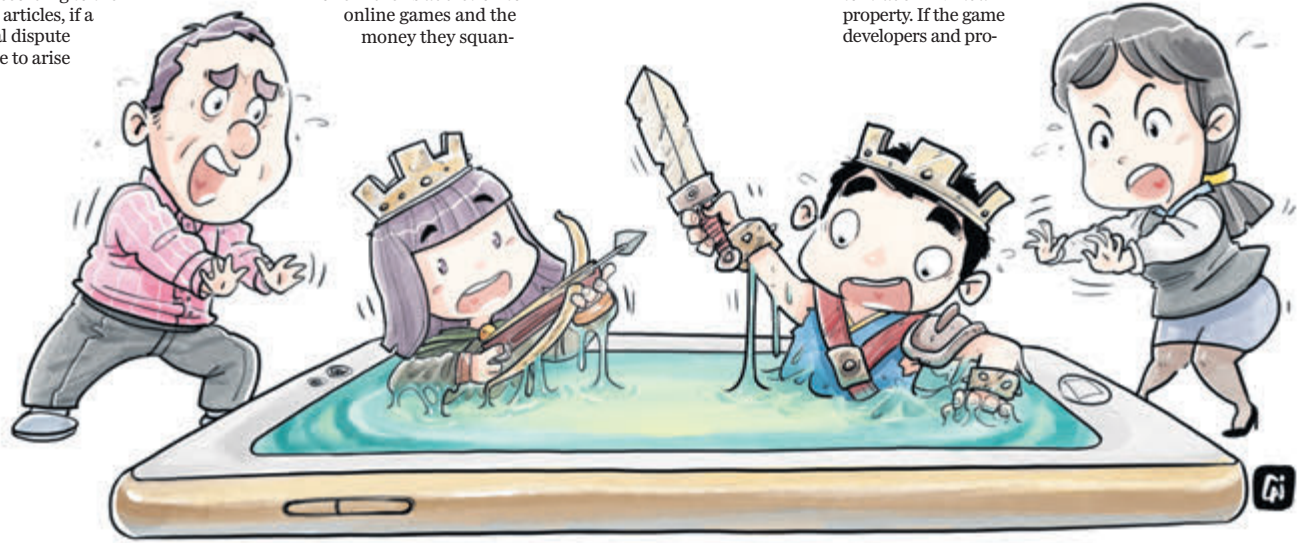
Second, as the Standing Committee of the National People's Congress is reviewing the draft "Electronic Commerce Law", I suggest online games and game equipment be brought under the purview of the law, making it mandatory for software developers and game providers to closely inspect the users and purchasers and thus disallow juveniles to "trade" in virtual property. If the game developers and pro-

viders fail to do so, they should be held accountable for the consequences.

Only when strict rules on the legal responsibilities of game providers and software developers are formulated can they be made to adopt technical measures to protect children from addiction, which forces some of them to use their parents' bankcards to make payments.

It is equally important for parents to fulfill their duties toward their children. And parents should always remember what Article 34 of the General Rules of Civil Law says: "A guardian failing to perform the duty of guardianship or infringing upon the ward's lawful rights and interests shall assume legal liability."

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CAI MENG / CHINA DAILY

Chu Fuling

# Reforms can fortify old-age insurance plan

China has established an institutional old-age insurance framework covering workers and residents. The employees' basic pension insurance system combines social funds and personal accounts for 380 million workers nationwide. It has also established a basic old-age insurance system that covers 500 million urban and rural residents.

Together, the two old-age insurance plans cover 880 million people. Based on the estimation that China has about 1 billion people above the age of 16, the country's old-age insurance plans' coverage rate is about 88 percent.

In 2008, the accumulated balance of the two old-age insurance funds was 992.5 billion yuan (\$149.07 billion), which increased to 4.40 trillion yuan last year, indicating the strong payment capacity of old-age insurance funds. Although in some provinces and regions the growth rate of basic

old-age insurance funds has been lower than the growth rate of expenditure, the reverse is true in others. Which means the accumulated balance of China's basic old-age insurance funds will continue to rise.

The basic pension insurance funds of enterprises play a dominant role in the funding of China's basic old-age insurance system. According to last year's data, even if the authorities were to stop collecting old-age insurance premium today, the existing old-age pension funds could still pay pension nationwide for more than 17 consecutive months. Hence, experts generally believe China has enough capacity when it comes to paying old-age pension.

As the balance of national basic old-age insurance fund has risen to more than 4 trillion yuan, there is no reason to fear about a shortage of pension insurance funds. But this assurance should not stop

**... reforms in the sector should be deepened ... to guarantee the sustainable and healthy development of the system.**

the authorities from taking measures for the sustainable and healthy development of the basic old-age insurance system.

China's aging society, increasing pressure of economic downturn and slowing growth rate of fiscal revenue mean it will face rising payment pressure on its pension insurance fund in the future. But

the authorities have taken several measures to cope with this pressure.

First, they have established a national social security strategic reserve fund with a market value of 2 trillion yuan to supplement employees' basic pension insurance funds and cope with the subsequent pressure of pension payment necessitated by a rapidly aging society.

Second, they have also established an investment mechanism for employees' basic pension insurance funds, in order to preserve and increase the value of pension insurance funds.

Third, they have allocated partial State-owned capital to make up for the cost of transforming the pension insurance system.

And fourth, the central leadership has asked governments at all levels to take up the responsibility of paying full old-age pension in time.

Now, the authorities should

further improve the basic pension insurance system for employees. Social pooling should be raised from the provincial to the national level so as to create a fair competition environment for enterprises and correct the imbalance among provinces and regions. Also, the authorities should gradually raise the retirement age, unify pension insurance premiums, and take necessary measures to solve the problems related to the premium payment period.

In other words, although the old-age insurance system is improving and the old-age insurance fund is being effectively operated, reforms in the sector should be deepened and active measures taken to guarantee the sustainable and healthy development of the system.

*The author is director of the Social Security Research Center affiliated to the Central University of Finance and Economics.*



# BUSINESS

中國日報 CHINA DAILY USA » CHINADAILYUSA.COM

## Slower but robust growth seen in H2, says leading experts

Economy 'will be bolstered by drivers such as consumption in smaller cities'

By LI XIANG  
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China's economy may grow slightly slower in the second half of the year but will remain robust supported by improved external demand and domestic private investment, a leading economist at Morgan Stanley said on Monday.

China's GDP rose 6.9 percent year-on-year in the second quarter, unchanged from the previous quarter, official data showed. The growth beat a market consensus of 6.8 percent and was well above the government's full-year target of "around 6.5 percent".

Robin Xing, chief China economist at Morgan Stanley Asia Ltd, said the robust growth in the first half of the year was mainly bolstered by the export recovery and the rebound of private investment in the service and manufacturing sectors.

Xing predicted that the growth of manufacturing investment would rebound to 7.8 percent this year, up from 4.2 percent in 2016. However, growth of investment by State-owned enterprises will likely slow to 13 percent while



Robin Xing, chief China economist at Morgan Stanley Asia Ltd

property investment growth will drop to 5 percent.

In the long run, Morgan Stanley maintained an optimistic outlook on the Chinese economy as growth will be bolstered by new drivers such as consumption in smaller cities. It estimated that domestic consumption will rise to \$9.7 trillion by 2030 from \$4.4 trillion in 2016, with two-thirds of the consumption growth from third and fourth-tier cities.

In the meantime, the US investment bank believed that China is capable of avoiding a financial crisis despite the rise in the country's debt level,

which stood at 278 percent of GDP last year, according to its estimates.

"We are optimistic due to the government's determination to push deleveraging and control the debt level in an orderly and gradual manner to avoid liquidity risks," Xing said.

Xing added that policymakers will maintain a hawkish outlook on financial regulation and keep monetary conditions relatively tight to slow broad credit growth.

The stronger-than-expected GDP growth in the second quarter has prompted some economists to raise their growth forecasts for China.

Zhao Yang, chief China economist at Nomura Securities, raised his forecast for the third quarter to 6.8 percent from 6.6 percent and his annual forecast to 6.8 percent from 6.7 percent.

But Zhao warned about uncertainty over external demand, given the appreciation of the renminbi in the first half of the year and rising global geopolitical risks.

Morgan Stanley's Xing held similar views, believing that major risk that could threaten China's growth is the deterioration of the external environment and rising global trade frictions.

## New committee key to financial sector reform and regulation

BEIJING — China's decision to establish a committee to oversee financial stability and development will be key to reform and coordinated regulation of the financial sector, economists said.

"The reason why China has decided to launch a financial stability and development committee is that it could shore up weak links in supervision and strengthen comprehensive coordination," said Lian Ping, chief economist with Bank of Communications.

Given a fragmented and segmentary system might leave blind spots in supervision and lead to financial arbitrage, the introduction of the committee will help improve the effectiveness of regulation and address regulation challenges brought by increasingly mixed financial services, Lian said.

The financial stability and development committee should be an authoritative decision-making body rather than an advisory body, according to Lian.

China announced that it will set up a committee under the State Council to oversee financial stability and development during a two-day National Financial Work Conference that ended on Saturday.

The conference also said the central bank will play a stronger role in macro prudential management and guarding against systemic risks.

The role of the committee and the function of the central bank are complementary in terms of financial supervision, Lian said.

Xu Hongcai, an economist with the China Center for International Economic Exchanges, agreed with Lian,



Xu Hongcai, an economist with the China Center for International Economic Exchanges



Lian Ping, chief economist with Bank of Communications

saying that China's decision to set up the committee aimed to enhance coordination and improve weak links in financial oversight.

Xu said a country's central bank plays a special role in its financial system, and the conference highlighted the central bank's role in macro prudential management and avoiding systemic risk.

The planned committee will elevate the level of financial supervision, enabling the country to better deal with financial risks from home and abroad and push forward economic restructuring, according to Zhou Xiaohuan from Central China Securities.

The government will also enhance the coordination and

connectivity of financial infrastructure and promote sharing of statistics and supervision information, according to the conference.

Tasks highlighted at the conference include making the financial sector better serve the real economy, containing financial risks and deepening financial reforms.

The conference has been convened every five years since 1997 and is widely considered to set the tone for financial reforms.

On the eve of the conference this year, the Chinese insurance regulator warned of multiple risks in the insurance industry, ranging from liquidity pressure to reputation management.

Chinese insurers grabbed headlines by using leveraged money to buy shares in listed companies, triggering sharp volatility in the market late last year.

Right before the conference, the country's securities regulator also extended its message to strengthen oversight on the securities market to keep it fair, open and impartial.

"The regulator will continue to crack down on violations of securities laws and regulations, including insider trading and market manipulation," said Jiang Yang, vice-chairman of the China Securities Regulatory Commission in an exclusive interview with Xinhua.

In April, China's central leadership called for concrete efforts to maintain financial security, saying that financial vitality would lead to economic vitality, and financial stability is of key importance to economic stability.

XINHUA



Employees work on a Jaguar automobile on the production line at Tata Motors Ltd's Jaguar assembly plant in Castle Bromwich, United Kingdom. BLOOMBERG

## Automaker to build compact SUV in China

By ANGUS MCNEICE  
and LI FUSHENG

British premium automaker Jaguar Land Rover has announced it will build its new compact SUV Jaguar E-PACE in China to tap into the craze for such vehicles.

The company said its plants in the United Kingdom are close to full capacity, and it expects demand for the five-seat E-PACE would be high after the mid-sized F-PACE SUV became the fastest-selling car in the company's history, with 80,000 sold so far this year.

JLR launched the E-PACE in London on Thursday, with a stunt driver making it into the Guinness Book of World Records after making a 15.3 meter jump and 270-degree barrel roll in the vehicle.

In China, the carmaker's joint venture, Chery Jaguar Land Rover, will build the cars at its factory in Changshu, Jiangsu province. Vehicles produced there will be for local customers. The car will go on sale in China next year.

The joint venture, which started production in late 2014, is currently manufacturing the Range Rover Evoque, Land Rover Discovery Sport, and Jaguar XFL in China.

John Zeng, managing director of LMC Automotive Shanghai, said the localized model will help JLR to make faster inroads into the compact SUV segment in China, which is currently dominated by the Audi Q3, the BMW X1 and the Mercedes-Benz GLA.

SUVs have been the fastest growing sector in the Chinese market, with their sales soaring nearly 17 percent year-on-year in the first half of the year, according to the China Association of Automobile Manufacturers.

Their fast growth, which LMC believes will continue for quite a while, is in stark contrast to other segments, such as sedans, multipurpose vehicles and minivans, whose sales fell, ranging from 3.2 percent to 25.3 percent, in the same period in China.

In Europe, automaker Magna Steyr will build the

**120,000**

number of JLR vehicles that were sold in China in 2016

E-PACE in Austria, starting later this year, and it will also make the all-electric Jaguar I-PACE model from 2018.

Pan Qing, executive director of Jaguar Land Rover China, said: "The Jaguar brand has caught the imagination of Chinese consumers, as evidenced by 144 percent year-on-year growth in the first six months of 2017.

"The E-PACE suits the needs and tastes of Chinese consumers from both a design and performance perspective, and we are confident that the newest member of the Jaguar portfolio will further enhance Jaguar Land Rover's competitiveness in China."

China, where some 120,000 JLR vehicles were sold in 2016, is the company's largest single-country mar-

ket, generating one-fifth of global sales.

JLR's retail sales for June were up 65.3 percent year-on-year in China to 12,004 units, with nearly 7,000 made in China by Chery Jaguar Land Rover. Its UK sales were up 3.8 percent to 9,061 units, Europe up 3.7 percent, hitting 12,939 units and North America up 3.2 percent to 9,907 units.

Andy Goss, JLR sales operations director, said: "Jaguar Land Rover saw another positive performance in June, led by strong sales in China, both from imported vehicles and our Chinese joint venture."

JLR, which manufactures vehicles under the Jaguar and Land Rover brands, said Jaguar sold 15,343 vehicles in June, up 16.4 percent from last June. The company said sales of the new Land Rover Discovery continue to grow, following its launch in North America and China.

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## Agricultural imports in 2017 rise rapidly

By WANG XIAODONG  
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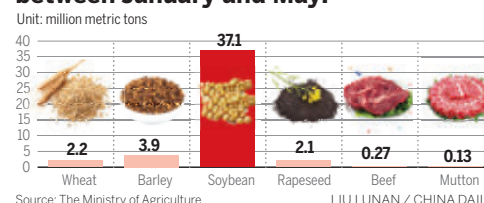
China's imports of major agricultural products continued to increase fast in the first five months of the year, driven by price gaps between domestically produced products and imported products, according to the Ministry of Agriculture.

Wheat imports between January and May reached 2.2 million metric tons, an increase of 67.3 percent year-on-year, while import of soybeans increased by nearly 20 percent to 37 million tons, and imports of beef rose by 14 percent during the period, compared with the same period last year, Wang Ping, deputy chief of the ministry's Department of Market and Economic Information, said at a news conference on Monday.

China imported 1.68 million tons of wheat and associated products between January and April, an increase of 94 percent over the same period last year, Wang said, citing figures from the General Administration of Customs.

Imports of some major agricultural products kept increasing quickly between 2011 and 2016, with grain imports increasing at an average annual rate of 32.2 percent, meat at an average annual rate of 24.9 percent, and dairy at 16.6 percent during the five-year period, according to the ministry.

### China's imports of wheat, barley, soybean, rapeseed, beef and mutton between January and May:



Workers pack asparagus at a food factory in Huaibei, Anhui province. LI XIN / FOR CHINA DAILY

"A rapid increase in imports has also had a great impact on China's domestic market for agricultural products," Wang said.

"Due to a sustained increase in imports, it is predicted that beef and mutton prices in the domestic market may fall slightly this year."

The prices of many agricultural products produced in China are higher than the international level due to higher production costs, according to the Ministry of

Agriculture. An exception is corn, whose average wholesale price was 1.58 yuan (23 cents) per kilogram in the first part of the year, similar to the international level, a decrease of 14.4 percent year-on-year, according to the ministry.

Dairy industry analyst Song Liang said the average cost of dairy products in China was at least 20 percent higher than in the European Union, largely due to higher production costs resulting

from limited resources such as water and grazing land. This has caused a rapid increase in dairy imports, he said.

Due to causes such as increasing supply, prices of agricultural products in China in general have kept falling since the beginning of this year, with prices of fresh and perishable products, such as vegetables, pork, chicken and eggs seeing the biggest decline, Wang, from the Ministry of Agriculture, said.

For example, the price of eggs decreased to their lowest in the last 10 years in the first half of the year before rebounding recently, and the price of poultry also declined in the first half of the year, Wang said.

The major causes were increased production, as a result of higher poultry and egg prices two years ago and the falling prices of feed such as corn, and an increase in H7N9 bird flu cases during the first half of the year in China, he said.

The price of eggs started to rise in June due to reduced supply following sustained lower prices since late last year, Wang said.

Egg prices may continue to rise in the second half of the year, but at a slow rate due to adequate supply, he said.

The prices of some other major agricultural products, such as pork and vegetables, may also rebound in the second half of the year, Wang said.



# Entrepreneur from Canada finds home from home in Shenzhen

By CHAI HUA in Shenzhen, Guangdong  
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"In the first week we got here, we completely changed our design," said Asif Khan, from Canada, who is now starting his own business in Shenzhen, Guangdong province.

Khan is working on new molding technology that can automatically change its surface so that manufacturers can quickly and easily adjust their moldings.

The core of his design is the "Pin-Press", a cube, as small as a ping-pong ball, with many metal pins inserted in it.

Manufacturers only need to program their computer for the shape they require, and the pins will be adjusted accordingly.

When they need to produce another shape, they just change the design on the computer.

The device seems simple, but the difficulty is how to power these pins to move. In Khan's original design, he used a high electric current, but if it is too high, the pins tend to melt or get burnt.

He said the challenge was to find the balance of different variables, such as the amount of electricity and the size of the pin.

Now he uses magnets inside 3-mm-wide pins and a lot less electricity, which solved his problem. "In the beginning, we were not even using magnets because they were too big and expensive in Canada," he said.

But he found China has the technology to make small magnets, not

too small but just the right size for the PinPress, and the cost is much less because it can be mass-produced.

Khan came to Shenzhen for the first time in July 2015. "When I came here, I was surprised there were so many things we could do," he recalled.

Then he went back to the University of Waterloo in Canada to finish his master's degree in various mathematical solvers, after an undergraduate degree in Nanotechnology Engineering.

In the September 2016, he and some of his classmates came to Shenzhen again with HAX Accelerator, one of the world's largest hardware incubators.

With offices in Shenzhen and San Francisco, HAX has incubated more

than 130 startups and above 90 percent are international teams.

The HAX community helped Khan to find small contractors. "They are willing to do small and quick work for us, which is a big support for startups," he added.

"What cost us seven weeks and about 10,000 yuan (\$1,480) to do in Canada, takes us three or four days to do it here and costs us about 2,000 yuan. Much cheaper and much faster," he added.

However, it was not low costs that attracts him the most, but "if you would like to spend a little bit more money, then you can get a really good product," he said.

"I love Shenzhen because, as an engineer, I like to make things," he said, "and it is so easy to make new things here. Sometimes I am bored

and come up with a new idea, we can just make it."

For example, he is working on a smart baseball that can record all motion data. He is a huge baseball fan and also teaches local children to play baseball in Shenzhen.

However, he also noticed the downside is that many young entrepreneurs in Shenzhen change their startup ideas too quickly as it is so easy to start a new project.

In addition, he also loves the convenience brought by e-commerce in China and he is so good at shopping online that he is considered a "Taobao expert" in the office. When people in the HAX office want to buy something, they come to Khan.

"Though I know only a little bit Chinese, I have a really good technique on how to use Taobao, such as

translating the page and finding the right words in Chinese to search for what I want," he said.

Khan is just one of the foreign entrepreneurs in Shenzhen, a city that has been vigorously establishing "China's Silicon Valley" with strong financial and policy support for startups. Khan's team once won a competition organized by the local authorities for a prize of 50,000 yuan.

In addition, many international incubators, such as the world famous Fabrication Laboratory (Fab Lab), have been established in the city, bringing more and more foreign innovative projects and teams.

Khan's plan is to stay in China as long as he can. He already teamed up with the local molding association for long-term cooperation.

## What's news



### GOVT AND POLICIES China approves 9 IPO applications

The China Securities Regulatory Commission, the country's top securities market regulator, has approved IPO applications from nine companies. They will raise no more than 4.2 billion yuan (\$620 million), the CSRC said in a statement. Four companies will be listed on the Shanghai stock exchange, one on the Shenzhen small and medium-sized enterprise board, and four on the ChiNext, China's NASDAQ-style board. The firms and their underwriters will confirm IPO dates and publish prospectuses following discussions with the exchanges. Under the current IPO system, new shares are subject to approval from the CSRC. China is gradually switching from an approval-based IPO system to a more market-oriented one based on registration.

### More lock-up shares eligible

Lock-up shares worth around 34.8 billion yuan (\$5.1 billion) will become eligible for trading on the Shanghai and Shenzhen stock exchanges this week. The amount is 38.6 percent more than last week, according to data compiled by Chongqing-based Southwest Securities. Lock-up shares from 35 listed companies will become tradable from July 17 to 21, with the peak share unlocking period falling on Monday, it said. Under China's market rules, major shareholders must wait one to two years before they are permitted to sell their shares.

### Nation sees more entrepreneurs

China saw fast growth in entrepreneurship in the first half of this year with increasing registration of companies and self-employed entrepreneurs. The number of new market entities reached 8.87 million in the first half, up 13.2 percent year-on-year, with 49,000 new companies or self-employed entrepreneurs registered each day on average, according to the State Administration for Industry and Commerce. A total of 2.911 million new companies were registered in the first half, up 11.1 percent year-on-year, while 5.809 million self-employed entrepreneurs have been registered, up 14.8 percent year-on-year. Applications for

## Edible artwork



A contestant uses her mobile phone to take a photo of a sculpture she made out of a watermelon at an innovation contest held in Fuyang, Anhui province, over the weekend. WANG BIAO / FOR CHINA DAILY

trademarks also grew quickly in the first half, up 30.8 percent year-on-year.

### Software copyright registrations soar

China received more than 400,000 new software copyright registrations in 2016, a year-on-year increase of 39.48 percent, according to a report. Eastern regions accounted for 80 percent of the total registrations in 2016, while western areas saw the fastest increase of 43.68 percent year-on-year, said the report issued by the Copyright Protection Center of China. The number of software copyright registrations in Guangdong province overtook those registered in Beijing, reaching first place nationally, the report said. Registrations for financial software in 2016 increased by 100.53 percent while registrations for games, education, medicine and cloud computing software saw growth of more than 40 percent year-on-year, said the report. China began to register software copyrights in 1992 in a bid to protect the rights of software owners.



### COMPANIES AND MARKETS Bank opens to support startups

A bank opened on Sunday in Beijing's Zhongguancun area, which boasts active entrepreneurial activities, to support startups and innovation. Zhongguancun Bank, which gained approval from China's banking regulator in December, is co-sponsored by 11 listed companies in this area. It has registered capital of 4 billion yuan (\$590 million). The lender mainly provides financial support to small and micro-sized scientific and technological firms. "Supporting science and technology is our most prominent feature," said Guo Hong, chairman of the bank, at its opening. Every year, more than 20,000 tech companies are set up in Zhongguancun. More than 60 unicorn firms valued at over \$1 billion emerged in this area in the past two years.

### Tech glitches may delay iPhone 8

Technological problem might force Apple to delay the release of its next flagship smartphone — iPhone 8, US news network the CNBC cited a report from Bank of America as saying. The report, written by Bank of America Merrill Lynch's two analysts, said the iPhone 8 "will ship 3-4 weeks delayed given technological issues which Apple and its suppliers are working through". The observation, according to the CNBC, was made after the two analysts' recent visits to Apple's suppliers in Asia. Apple has not released a launch date for the as-yet announced iPhone 8 but it typically releases new iterations of the device in September. The report said the problems are with the new fingerprint sensor and 3D-scanning technologies.

### EasyJet planning Austria airline

British budget airline easyJet said it plans to set up a new airline headquartered in Vienna, Austria, having already applied for an Air Operator

Certificate and an airline operating license. If granted the accreditation would give the airline permission to establish a third company wing, called "easyJet Europe" alongside its existing operations in Britain and Switzerland. All are to be owned by Britain-based parent easyJet plc. The move is being interpreted by Austrian media as a means for the airline to be able to continue to offer flights within the European Union in anticipation of the upcoming Brexit. In a news release the company did not state how many new jobs would be created at its Vienna operations, though it noted that no jobs would be shifted there from Britain.



### AROUND THE WORLD Croatia's rating stays at BB

Fitch Ratings has kept Croatia's rating at BB with a stable outlook, pointing out that Croatia's economy

is benefiting from "favorable cyclical conditions", including its membership in the European Union, but at the same time warning that the restructuring of its largest private company Agrokor will slow down growth in 2017 to 2.6 percent. "The Croatian economy is benefiting from favorable cyclical conditions. Strengthening growth in regional trading partners, favorable wage and employment dynamics, robust tourism receipts and improved absorption of EU funds, resulted in real GDP growth rising to three percent in 2016 (the fastest since 2007), and are likely to support performance in 2017", local media quoted the latest Fitch report as saying. However, Fitch analysts believe the problems surrounding Agrokor will affect economic performance. Agrokor was placed into state administration in April and had debt of around 12 percent of GDP at the end of the first quarter this year.

### Brazil indicators show recovery

Brazil's most recent economic indicators showed that the country is recovering from a two-year-long recession, Finance Minister Henrique Meirelles said. "At the moment, there is no sign the growth path has been reversed. Several June indicators show advances, like energy consumption and vehicle production," he said, adding that the Brazilian institutions are solid. "The economic team is focused on the economic reform, working day and night to ensure the country will resume growing," Meirelles said. Though Brazil's most recent GDP figures were positive, showing a mild growth of the economy, the country is still under the effects of a long economic crisis. Brazilian economists said last month that it was too soon to declare the country's two-year recession over, despite positive first quarter results.

### Foreign investment in SEZ hits \$1.7b

Foreign investment in Myanmar's Thilawa Special Economic Zone on the outskirts of Yangon is estimated to have hit \$1.7 billion so far since the zone was launched four years ago, official media reported on Monday. Foreign investment in the SEZ was led by manufacturing sector at \$773 million, followed by the import-export sector at \$126 million, the logistics sector at \$77 million, the service sector at \$56 million, and the real estate sector at \$30 million and the hotel sector at \$12 million.

CHINA DAILY-AGENCIES

# Ergonomic furniture firms spring into action, riding big demand

By ZHU WENQIAN  
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Ergonomic office furniture makers say they have not sat still — riding a booming business in China, where an increasing awareness by office workers of the need for healthy lifestyles has seen them move to alter their sedentary work schedules.

New York-based ergonomic furniture maker Humanscale Ltd said sales revenues in China has grown consecutively by about 25 percent year-on-year in recent years. Founded in 1983, Humanscale entered China in 2011.

Currently, Humanscale sells its furniture on Amazon in China. Additionally, it has showrooms in Beijing

and Shanghai, where corporate customers can visit and place orders. It is also planning to open another retail store in China soon, but will not disclose specific plans.

"The United States is our largest market followed by the United Kingdom, although we think China has the potential to overtake them," said Tim Hutchings, president of Humanscale Ltd's international unit.

Hutchings said his group targeted any customers who use a computer, particularly those companies in the finance, legal and technology sectors.

"We are very optimistic about the future of our business in China," he said.

"The growth potential is amazing,

because Chinese people are fascinated in keeping ahead of the curve with cutting edge innovation and design. Our seating products and monitor arm solutions are particularly popular in China."

Hutchings added that there were a huge number of computer users in China and his company designed products that enabled computer users to feel more comfortable. As a result, corporate clients were seeing improved productivity, staff retention and profitability.

Traditional desks and chairs can strain wrists and bodies if postures are maintained in the same position for a long time, but Humanscale says furniture that adapts to human bodies and encourages comfortable pos-



The growth potential is amazing, because Chinese people are fascinated in keeping ahead of the curve with cutting edge innovation and design."

Tim Hutchings, president of Humanscale Ltd's international unit

tures, such as sit-stand tables that could glide up and down, allow employees to dynamically alternate between positions.

"When I travel on business in China, I like to get up early and go for a run. It's amazing how many people are out in the parks in the early morning, practicing Tai Chi and moving," Hutchings said.

"Chinese people understand the importance of keeping fit and that's why it's such an exciting market for us."

In Europe and the US, many companies choose to have ergonomic furniture for their staff, such as Adidas, Apple Inc, Google Inc and HSBC. In China, online news aggregator toutiao.com, a new media platform, also

chooses to use ergonomic furniture at its Beijing office.

According to research by the University of Pittsburgh last year, frequent standing breaks during work can help to control weight and reduce obesity, and decrease the chances of getting diabetes and cardiovascular conditions.

"My work has long hours and I have a sit-stand desk," said Michelle Chen, a 26-year-old lawyer based in Hong Kong.

"Most of the time, I would prefer to sit down to work, as it helps to raise my efficiency," she said.

"But it's great that I have the option to work while standing, especially after I had lunch or when I feel tired."



**Editor's Note:** China's gross domestic product jumped to an unexpected 6.9 percent growth year-on-year in the first half of 2017. In a series of interviews, China Daily put four crucial questions to economists, analysts and business leaders about the prospects of economic growth in the country and wider business issues.

# China's economy is on the right track

Economists, analysts and business leaders discuss the prospects for growth in the country during the next six months

**Q1: What are the most encouraging signs you have seen in the Chinese economy during the first half of 2017 and what has impressed you the most about the macroeconomic data currently available for the first half?**

**Q2: Based on your research or business operations, what are your projections for China's economic growth in the second half of this year?**

**Q3: What factors will help China increase growth and what are the key challenges?**

**Q4: What would be your advice to achieve stable, balanced and sustainable economic growth in the years ahead?**



**John Litwack**, lead economist for China at the World Bank



**Jing Ulrich**, vice-chairman of Asia-Pacific at JP Morgan



**Jeremy Stevens**, China economist at Standard Bank



**Catherine Yeung**, investment director at Fidelity International

**A1:** There are a number of encouraging signs. This includes stronger than expected numbers on economic growth and greater confidence in the business community.

Relative to 2015 and 2016, we are particularly encouraged by recent macroeconomic and regulatory policies aimed at bringing debt under control.

While China has experienced strong economic growth by international standards in 2015 and 2016, the build-up in debt raised questions about sustainability and growing risks.

We think that the experience in the first half of 2017 represents an important break from the past in that regard. The government has been pursuing important measures to bring debt and shadow banking under control.

For us in the World Bank, progress toward reducing macroeconomic imbalances that emerged in China since the global financial crisis is more important than the question of GDP growth being a bit higher or a bit lower than expected.

We believe that the fundamentals in China's economy are still quite strong, and that macroeconomic imbalances, if not addressed, would represent the biggest threat to China's ability to sustain high growth during the medium and longer term.

**A2:** We had been projecting 6.5 percent growth this year, but anticipate that we will revise our projection upward following the release of data for the first half of the year on Monday.

We do think that China will likely experience somewhat slower growth in the second half of the year, assuming that it continues to pursue tighter monetary and regulatory policies to constrain growth in debt. However, we believe that the continual pursuit of these policies is very important for China's future growth and development prospects.

**A3:** A more favorable external environment has been a major factor in supporting higher-than-expected growth in China in the first half of 2017. The recovery in trade is one reason why China has been able to sustain strong growth, while also tightening policies and regulations to control debt.

Although current expectations about the external environment continue to be generally favorable for the second half, these prospects are always uncertain.

**A4:** During the medium term, China cannot rely on increasing export volumes to sustain its relatively rapid pace of economic growth. Rebalancing toward domestic demand remains a key condition to sustain rapid growth here.

For demand-driven growth, it is critical that incomes and consumption of the population continue to increase at a rapid pace. That should become an even stronger primary driver and stimulate private investment.

Potential remains for China to support productivity growth and efficiency through strengthened institutions for market exit. This includes reforms to boost competition policy, manage insolvency, bankruptcy, and ensure an active and appropriate role for creditors in restructuring insolvent firms. We are happy that China is making significant progress in these areas, and we believe that continued progress will be of first order importance for future growth prospects.

**A1:** One of the most favorable drivers for the Chinese economy in the first half of year has been PPI (Producer Price Index) inflation, which has helped to support strong growth in industrial profits in various industries. These include mining, equipment manufacturing and consumer goods.

Total industrial profits increased 22.7 percent year-on-year between the January-May period. In the first and the second quarters, China's GDP grew at a respectable rate of 6.9 percent year-on-year, beating expectations.

The stable growth and PPI inflation have reduced the risks of credit defaults in the economy. This has provided a supportive environment for policymakers to manage financial risks that could arise from shadow banking.

**A2:** Looking at the second half of the year, we expect economic growth to moderate from the first six months. Indeed, data from the second quarter indicate moderation in industrial production growth and fixed investment activity.

In addition, the housing market has also showed signs of cooling, as reflected by lower investment growth in recent months. We expect to see more softening in the economy in the coming months, as the impact of fiscal support in the first quarter diminishes.

The impact of financial and housing market tightening will also become more apparent.

**A3:** The resilient performance of the service sector will be one of the key factors supporting China's growth in the near term.

Rapid expansion of technology and service industries will create new jobs and products that meet the needs of a thriving middle-class population. Their consumption power will help drive the economy forward.

In terms of challenges, corporate debt and the growth of shadow banking activity remain key issues, which could result in a setback for the economy.

Policymakers have taken steps to tighten financial conditions and curb risky credit, but they need to balance them with accommodative policies that support economic growth.

**A4:** First, policymakers should continue to provide incentives that encourage the development of tertiary industries and new economy sectors.

Second, State-owned enterprise, or SOE, reform remains a critical element in addressing the debt and overcapacity problems. A transparent, legally-based bankruptcy scheme needs to be implemented for underperforming SOEs.

To ensure its success, reforms need to be accompanied by comprehensive skills retraining to help displaced workers find employment in new firms and industries.

The transition can be painful, but the commitment to carry out such reforms will steer China toward a more stable and sustainable growth path in the long run.

**A1:** The most impressive feature in the first half has been the degree of coordination and uniformity from authorities in dealing with imbalances in the financial markets.

This has had the desired impact on the real economy, and is a huge step in the right direction in ensuring that medium- and longer-term growth is placed on a more stable footing.

**A2:** GDP probably peaked in the first half, so we agree with the broad economic consensus. We believe that restrictions on real estate, the tighter credit environment and slower PPI (Producer Price Index) growth will have an impact on second half figures. Still, I would not be surprised if growth remains above 6.5 percent year-on-year in each of the remaining quarters.

**A3:** Surprise growth areas

will come from the housing market, where demand remains robust, and construction, which could be better than expected.

Slowing factory gate inflation mean real rates will actually rise and this could cause authorities to loosen policy. Also, improved private sector fixed asset investment, which despite being soft, is better than it has been in the last two years.

**A4:** The government is doing the right thing by delinking from GDP growth toward "quality growth." By focusing on job creation and technological innovation, this will fuel consumption.

Also, dealing with debt and excess capacity are the right things to concentrate on.

We expect this to continue while the government finds ways to deal with parts of the economy that are linked to the old growth model.

**A1:** The most encouraging sign at the macro level was that growth held up yet inflationary pressures declined and liquidity moderated. This means potential growth levels could be stronger than previously estimated.

In terms of growth drivers, there are signs of a rebound in private business activity, which is not government directed. This is different from rebounds we saw during the past five years, which were mostly government fueled and infrastructure focused.

**A2:** We expect growth to moderate but remain robust. The government's policy stance has turned more supportive of growth in the second quarter, although it still has a mild tightening bias. The current cyclical policy can be summarized as "supply enough, and just enough, liquidity to achieve broadly defined

growth and price stability."

This goal has largely been achieved and the government is likely to be satisfied with the current picture. External demand remains firm, which has been partially fueled by the recovery.

**A3:** The biggest challenge facing the Chinese economy is the pace of market-based reforms. This is the only way to achieve sustainable long-term growth, and become a high income economy. Maintaining stability during this process will be vital, and the government is doing a good job in this respect.

**A4:** It is equally important that the reform measures are carried out swiftly. After the 19th National Congress of the CPC, it will be crucial to define the goals and accelerate the pace. There is a danger that this benign, cyclical picture will lead to complacency or over confidence. This in turn could delay reforms.



**Song Yu**, chief China economist at Goldman Sachs

**A1:** Chinese manufacturing has seen a rebound in the first half of the year, and has mostly surpassed expectations. Business confidence and investments are also rising.

Chinese Premier Li Keqiang has expressed confidence in the past few months that China is on track to meet its growth target of around 6.5 percent.

With momentum maintained, inflation remains in check and the People's Bank of China can exercise prudent monetary policy and continue to support economic growth.

In addition, there has been a marked rise in demand, which will also have a positive affect. From a currency perspective, the inclusion of the Chinese yuan in the IMF's special drawing rights basket just before the beginning of this year has been positive.

The yuan is now one of the top currencies traded globally in the foreign exchange markets. And as the exchange rate gains more flexibility, it will become one of the world's most important reserve currencies, rivaling the dollar and the euro.

**A2:** The Belt and Road Initiative has made progress in the first half of the year. It will continue to play an important role in addressing the manufacturing overcapacity issue in China.

A consumer-fueled economic model outlined in Chi-

na's 13th Five-Year Plan (2016-20) will provide a growth engine for the country's economy in the second half of 2017 and in the years ahead.

Alongside this, China should continue financial reforms including the full convertibility of the Chinese yuan by 2020.

**A3:** Strong consumer spending, continued technology innovation and ongoing financial reforms will support China's growth this year. It will also build a solid foundation for doubling per capita income by 2020 from 2010 levels.

The risks lie in maintaining stability within the financial sector, while promoting sound fiscal risk management. Using best practices from other mature economies would be helpful.

**A4:** Increasing flexibility in the yuan's exchange rate will contribute to China's expanding prominence in the world economy.

Diversifying the country's growth engine with a more consumer-led economy is an important step to ensure stable and progressive development. Continued financial reforms and integration within the global financial system will also help China.

Last month's MSCI's decision to include China's A shares in its index is another example of global markets gaining confidence in the continuous reform of the country's financial system.

**A1:** Data for the first six months highlighted how China has emerged from a period of industrial deflation. But the stronger than expected recovery in PPI (Producer Price Index) also caused some concern that the economy could overheat and that industrial inflation would spill over to the consumer segment.

Neither risk happened and it's likely we have seen the peak of PPI in this current cycle.

Consumption, especially mass market demand, has continued this year and we expect this trend to remain in place, especially given healthy incomes and continued urbanization.

The growth of the consumer in conjunction with the changes in the way that people consume will continue to be an important economic driver during the next five to 10 years.

**A2:** The Chinese economy has been in a "muddling through" stage since the investment cycle peaked in 2010. We are seeing the government focus on the twin objectives of growth — stabilization and reforms.

Since the second quarter of 2016, we have seen an improvement in the real economy aided by corporate capital expenditures, consumption and exports.

Supply-side reforms have helped in removing excess capacity. So far, we have seen these State-led capacity cuts in coal and steel. Now, expect industries such as glass, cement, paper and refining to also adopt these reforms.

From an earnings perspective, we have likely seen a trough and expect further upward revisions. What is very important is that we are seeing a shift in the outlook toward shareholder returns. For instance, China does not have a dividend culture, but we saw signs of change early this year when China Shenhua issued a special dividend for the first time in its history.

**A3:** There are many supportive drivers to boost growth. Strategies such as "Made in China 2025" underpins companies climbing up the value chain and becoming more innovative.

Labor market supply has also changed and with an increase of undergraduates, innovation is a key area of structural growth. While the market has moved up, valuations on the whole remain compelling when viewed in a global context.

A relatively stable and predictable policy environment in China compared to much of the West might also start to be reflected in valuations.

The gap between China's share of the world's economy and its share of global stock markets remains significant, and it is more than likely that this will close over time.

It was not a surprise to see A-shares move into global indices, while the prospect for an acceleration in regulatory reforms is expected.

**A4:** China's proposed reforms agenda needs to continue to be implemented if we are to see sustainable growth.

MA XUEJING AND SHI YU CONTRIBUTED TO THESE ILLUSTRATIONS



# Big small-cap slump drags down indices

Weak earnings performance of ChiNext shares, in fears of more public offerings

By CAI XIAO  
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A sharp slump in China's small-cap stocks pulled China's major stock indices lower on Monday, offsetting stronger-than-expected economic growth data.

A flood of supply from initial public offerings, the weak earnings performance of ChiNext shares and fears of further policy tightening also added to the gloomy mood.

Data from the National Bureau of Statistics on Monday showed that China's gross domestic product expanded 6.9 percent year-on-year in the first half, which is well above the government's target for the year of 6.5 percent, reflecting a firming

sized financial markets should serve the real economy, hinting at the possibility that IPOs will continue and accelerate," said Hong Hao, chief strategist at BOCOM International Holdings Co.

"More supply of stocks, mostly smaller caps, slower credit growth and a weak ChiNext earnings season have all contributed to today's plunge," said Hong.

The country's financial regulators emphasized the need to develop the direct financing market to fund businesses, showing that the pace of initial public offerings will accelerate.

There were 246 IPOs in the Shanghai and Shenzhen bourses in the first half of 2017, increasing 303 percent year-on-year, according to accounting firm PricewaterhouseCoopers.

In contrast to larger, State-owned firms which are being buoyed most by the strong economy, an increasing number of once-high-flying startups are floundering — a trend epitomized by Leshi Internet & Information Corp, which unveiled over the weekend it swung to a loss in the first half.

China Merchant Securities said in report that "the high-valuation bubble is bursting."

Listed firms with good business performances will continue to be chased by investors ... while ChiNext will continue to find its bottom," the brokerage said, forecasting average earnings of ChiNext companies will fall to "single-digit" growth from an expected 25 percent this year.

China's blue-chip SSE50 Index, also called China's "Nifty Fifty", increased 0.32 percent to 2631.41 on Monday, which was the highest level in almost two years.

Reuters contributes to the story.

**1.43 percent**

correction of the Shanghai Composite Index on Monday

trend in the nation's economy.

Growth in June industrial output and retail sales also came in stronger than expected.

The Shanghai Composite Index closed the day, however, with a 1.43 percent drop to 3,176.46 points. The Shenzhen Component Index dropped even more, by 3.57 percent.

The ChiNext startup index tumbled as much as 5.11 percent to a two-and-a-half-year low.

Nearly 500 stocks, most of them small firms, plunged to the 10 percent trading limit, a rare occurrence this year as the authorities attach great importance to maintaining stability in the stock market.

"Market regulators have empha-



An employee from the Bank of China introduces financial services to a client in Zhengzhou, Henan province. SHA LANG / FOR CHINA DAILY

## China sees growth in financial talent

By HE WEI in Shanghai  
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Chinese nationals represent more than 30 percent of the holders of Chartered Financial Analyst charters, the world's most recognizable financial credential, indicating the country's desire to increase financial talent and open up on a more global basis, according to a senior executive at the CFA Institute.

The current 45,000 charter holders in China are at least five years younger than the global average, reflecting their keenness to grasp the sets of knowledge and skills essential to landing and cementing a job with a relatively high threshold and financial return, said Nick Pollard, managing director of the organization's Asia-Pacific operation.

"China is a country really heavily investing in its talents. And because the credential is globally recognized, it shows China's openness of business to the rest of the world," he told China Daily.

CFA is a designation especially

“And because the credential is globally recognized, it shows China's openness of business to the rest of the world.”

Nick Pollard, managing director of the CFA Institute's Asia-Pacific operation

useful in the investment management profession. In order to obtain a certificate, the candidate needs to pass three levels of exams on a curriculum, from portfolio management to corporate finance, and an additional four years of relevant work experience.

While the majority of charter holders in China are concentrated in metropolises like Shanghai and Beijing, the landscape is quickly changing, with tier-two cities, including Hangzhou and Chengdu, seeing "exponential growth" in terms of financial talent, he said.

Pollard said the emergence of a variety of talent hubs in China was being driven by a number of factors, the most prominent being a string of supportive measures

from local regulators, government and businesses to attract and retain financial specialists.

For instance, Shanghai has rolled out a number of preferential policies on home settling, medical and health insurance and people-to-people exchange programs to beef up its allure to financial professionals who have overseas study and work experience, said Wang Hua, chief of Shanghai's Lujiazui Financial City Development Bureau.

China's financial industry is maturing, with more professionals than amateurs joining the league. Financial talent — defined as those systematically trained with financial knowledge — in the country's securities sector jumped from 8

percent to 15 percent between 2010 and 2016, according to a survey published by the institute in early July.

"It's because compared with banking and insurance, securities has the biggest requirement for development and educational intervention, and regulators are used to understanding the need for professional education and certification needed (to do that job)," he said.

With new technologies such as artificial intelligence and big data dealing a blow to financial professionals, Pollard stressed a renewed focus on the "human touch" while nurturing talent. The Institute is also updating its curriculum to include financial technology elements to stay relevant and practical, he said.

"I don't see it as the end of personal advice, but a way of making efficiencies in analyzing data. But the communication and interpretation of that data, at least for now, is still going to be a human interaction between organizations and clients," he added.



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