

TWO SESSIONS

BRI trade to improve livelihoods

Vice-minister says China to support development of economic zones

By JING SHUYU and ZHONG NAN

China will step up efforts to build economic and trade cooperation zones in the Belt and Road economies and promote projects that can benefit all parties, the Ministry of Commerce said.

Qian Keming, vice-minister of commerce, said the ministry would support the upgrading or rebuilding of some economic and trade cooperation zones in economies participating in the Belt and Road Initiative, and construct several new ones to accelerate local development.

To benefit all parties, the ministry will push forward with projects that can improve local infrastructure conditions and people's livelihoods, and help developing economies better participate in the global division of labor, Qian said on Saturday at a news conference during the two sessions.

Qian said the Belt and Road Initiative fulfills developing nations' investment needs, rather than increasing their debt pressure. Statistics showed that increased debt in many countries is a result of their long-term debt accumulation, he said, citing the example of Pakistan.

Pakistan has been in the news headlines for its debt problems, yet as much as 42 percent of the country's foreign debt was borrowed from multilateral institutions, while Chinese debt accounts for only about 10 percent of the total, Qian said.

Qian added that China constructed a large amount of infrastructure such as ports, airports and highways in developing countries, which has encouraged local economic development and brought tangible bene-

fits to their people.

For example, China Railway Construction Corp (International) Ltd recently completed a 52.18-kilometer stretch of a highway in Angola three months ahead of schedule.

The national highway is a key route connecting the Angolan capital of Luanda and Huambo, the southwestern African nation's second-largest city. The project cuts the traveling time between the two cities by four hours, and stimulates economic development along the route and surrounding areas, the State-owned construction firm said.

Addressing the completion ceremony, Manuel Tavares de Almeida, Angola's minister of construction and public works, said the quality of the road's construction met the government's requirements.

On Saturday, Qian from the commerce ministry also commented on certain countries' tightened security reviews of foreign investment, which may obstruct Chinese companies' activities.

Qian said: "We are firmly against protectionism in any form, and do not want to see the abuse of security reviews as a means to obstruct normal investment activities."

He said the ministry would roll out measures to guide enterprises to rationally invest in overseas markets.

Data from the ministry showed that irrational outbound investment continued to be effectively curbed last year, with no new projects reported in sectors including property, sports and entertainment. ODI rose 4.2 percent year-on-year to around \$130 billion in 2018.

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Reforms to put SOEs in key role for initiative

By ZHONG NAN and JING SHUYU

China's new round of reform of its State-owned enterprises will further encourage them to be the country's major force driving the Belt and Road Initiative via win-win projects, high operational efficiency and flexible business layouts, political advisers and business leaders said on Sunday.

They made the remarks after Xiao Yaqing, chairman of the State-owned Assets Supervision and Administration Commission, said on Saturday that China would expand mixed ownership reform to more than 100 SOEs, after the country had selected 50 SOEs in three groups to conduct the pilot reform in fields including power, energy, civil aviation, telecommunications and defense, since 2016.

Wilson Pang, a partner at auditing and consultancy firm KPMG, said most of recent SOE reform programs had a much wider coverage and emphasized the importance of corporate governance, risk management, performance appraisal and strategic planning.

To maximize their operational and strategic strengths at the same time for strong and sustainable growth, Pang said "bringing in and going global" can be part of the strategy for SOEs to remain competitive.

His opinion was shared by Yan Bin, a member of the 13th National Committee of the Chinese People's Political Consultative Conference and co-chair of the Belt and Road General Chamber of Commerce (Hong Kong), who said the tangible development of the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area would further enhance the earning capacity of SOEs.

The country's top State-owned assets regulator also said that pro-

jects undertaken by China's SOEs under the BRI have been faring well and are playing increasingly important roles, its officials said at a news conference during the annual legislative session on Saturday.

The initiative has been welcomed by a growing number of countries and regions as the BRI projects have helped create jobs and develop local economies, said Xiao from SASAC, adding that SOEs should abide by internationally accepted rules as well as local laws and regulations in BRI projects, to ensure their quality, sustainability and long-term profitability.

Zhang Yuyan, another CPPCC member and a senior researcher of economics at the Chinese Academy of Social Sciences, said the government previously paid more attention to the scale of a SOE's revenue, but in the next stage more attention will be placed on SOEs' returns in areas such as net assets, revenue margin, investment in research and development, and added value.

"Therefore, SOEs will not only be leaders in terms of revenue scale, but also in terms of their efficiency and development quality," said Zeng Qinghong, a deputy to the 13th National People's Congress and chairman of Guangzhou Automobile Group Co.

The operating revenue of China's SOEs rose 3.9 percent year-on-year in the first two months of this year, while profits increased by 15.3 percent, according to the SASAC.

Centrally administered SOEs recorded sales revenue of 29.1 trillion yuan (\$4.33 trillion) in 2018, with net profits of 1.2 trillion yuan, a growth of 15.7 percent year-on-year, while the average debt ratio declined 0.6 percentage points.

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Following the proceedings



Members of the 13th National Committee of the Chinese People's Political Consultative Conference listen to the proceedings at the Great Hall of the People in Beijing on Sunday. ZOU HONG / CHINA DAILY

Advisers: Keep faith in economy

By JIANG XUEQING jiangxueqing@chinadaily.com.cn

Challenges and opportunities coexist in the major economic changes currently faced by the world. If handled properly, the changes will bring huge opportunities to the great rejuvenation of the Chinese nation, said a member of China's top political advisory body.

The quality of Chinese economic growth has significantly improved in spite of a slowdown, said Justin Yifu Lin, a member of the 13th National Committee of the Chinese People's Political Consultative Conference, while delivering a speech at the Second Plenary Meeting of the Second Session of the 13th CPPCC National Committee on Saturday.

China has launched supply-side structural reform with more efforts focusing on cutting overcapacity, reducing excess inventory, deleveraging, lowering costs, and strengthening areas of weakness.

"Over the past three years, transformation of traditional industries has accelerated and the fostering of new economic drivers has also sped up, making noticeable changes to the relationship between supply and demand of major industries," Lin said.

Looking ahead, China should



Justin Yifu Lin

maintain its strategic focus, grasp the principal contradiction of economic operation, and seek breakthroughs in economic reform. In the next two years, there is still huge room for greater efforts to lower costs and strengthen areas of weakness, he added.

In addition to industrial upgrading, he said China should devote more investment to inner-city infrastructure construction, take the investment opportunities brought by the commercialization of fifth-generation mobile network services, and shore up weaknesses in pollution prevention and control.

Li Daokui, another member of the 13th CPPCC National Committee, agreed with Lin on keeping faith in China's economy.

"Our country still remains in an important period of strategic opportunities for its development. The challenges we face today are essentially 'growing pains', and we have unshakable confidence," Li said at the plenary meeting on Saturday. He advised the Chinese government and people to deal with these



Li Daokui

challenges with a calm and open mindset.

"Frictions between China and other countries will keep arising. Taking a long-term perspective, we will see that some of the seemingly aggressive demands, although causing pain to us over a short period, will force us to deepen reform. ... But we must firmly reject those demands that hinder us from making innovations and industrial upgrading," he said.

China should protect private property rights and ensure fair competition between public and private companies so that entrepreneurs are keen to invest in emerging industries and are willing to withdraw from industries that have excess capacity.

The country should also build a strong economic foundation by increasing low-income groups' revenue and consumption through a number of measures, including accelerating reform of the social security system, cutting employment taxes and fees, and advancing reform of the household registration system, Li said.

New laws to enhance supervision

By CAO YIN caoyin@chinadaily.com.cn

China's top legislature has begun formulating the law on administrative discipline and the law on supervision officers to improve the country's supervision legal system, a senior legislator said on Sunday.

The amended Constitution and the National Supervision Law, passed in March 2018 at the first session of the 13th National People's Congress, gave fundamental legal backing to the country's supervision reform. To ensure the National Supervision Law is effectively implemented, more supporting laws and regulations are needed, according to Xu Xianming, deputy head of the NPC's Supervision and Justice Committee.

"The drafting of the two laws — one on administrative discipline and the other on supervision officers — has been put on the legislative agenda of the 13th NPC, and we'll move forward with their legislative process this year," said Xu.

He made the remarks at a news conference on the sidelines of the ongoing second session of the 13th NPC on Sunday.

He added that the committee also planned to help the NPC Standing Committee, the top legislature, conduct research on the country's supervision reform and look into new problems in the implementation of the National Supervision Law.

The National Supervision Commission and its local branches were established across the country in the



Deputy directors of committees of the 13th National People's Congress answer questions at a news conference on the NPC's supervision work in Beijing on Sunday. WANG ZHUANGFEI / CHINA DAILY

past year to form an upgraded anti-corruption task force, as the latest amendment to the Constitution defines the constitutional status of the supervisory commission.

The National Supervision Law also includes a chapter on oversight of the commission and its staff members, which states that the standing committees of people's congresses can hear and deliberate work reports of supervision commissions at the same level, and develop inspections of law enforcement.

In 2018, the NPC conducted research on the reform of the supervision system and the implementation of the National Supervision Law in six areas — Shanxi, Zhejiang, Hebei and Guangdong provinces, Beijing and the Inner Mongolia autonomous region, Xu said.

The NPC's Supervision and Jus-

Coal city gaining fruits from greener outlook

By ZHU LIXIN and YANG JUN

Shaking off its dependence on environmentally damaging industries such as coal mining, Liupanshui in Guizhou province has turned to new sectors and environmental restoration for sustainable growth, according to the city's mayor, Li Gang.

As a local "green" tradition, thousands of local officials go to the mountains to plant trees on the first working day after the weeklong Spring Festival holiday, said Li, also a deputy to the 13th National People's Congress, on the sidelines of the ongoing two sessions.

Li, who was born in 1972 and



Li Gang, mayor of Liupanshui, Guizhou

became the city's mayor in 2017, said: "Only 7.6 percent of the city's area was covered by forests in the 1980s, although it is a mountainous place. And particulate matter in the air was more than four

times higher than the national standard during that period." The terrible environment was partly a result of the local economy's reliance on coal mining, power generation, iron and steel production and construction materials for decades, he said.

Li said the city was established in 1978 mainly for coal mining. It has an explored coal reserve of 22 billion metric tons.

"We have been making great efforts to transform and upgrade the economy in recent years, but I think we should still rely on traditional sectors for the next 20 to 30 years, or the local economy will collapse," he said, adding that upgrading traditional sectors is the city's priority.

"To make traditional sectors more environmentally friendly, we have invested heavily in applying advanced equipment and cutting emissions," he said, adding that Liupanshui is also eager to build new growth engines.

"New sectors, including new materials, new energy, tourism equipment manufacturing, food processing and modern logistics, are now playing an increasingly important role in the local economic growth," he said.

Tourism has also been developing rapidly thanks to the improving environment.

The city's forest coverage had surged to 59 percent by the end of last year, while 96 percent of the days in the city in 2018 had good air quality, according to the national air quality evaluation system.

"The city had an annual tourism income of more than 30 billion yuan (\$4.47 billion) last year," said Li.

The mountainous landscape also poses great difficulties for farmers. Among the 310,000 hectares of arable land in Liupanshui, 97 percent is located on hills and mountains, so that most of the farmers can only grow potatoes and corn. The geographical conditions also mean that it is difficult to use agricultural machinery in the area.

"So we decided to find a comprehensive solution to boost the agriculture sector," said Li, who learnt that such a landscape could be good for fruit trees.

As a result, more than 240,000 hectares of agricultural land in the area is now used for growing fruit and tea.

Under the fruit trees, there are also 139,000 hectares of other plants, such as herbs.

These efforts have paid off by lifting 93,000 households, or 304,800 people, out of poverty in 2018 alone.

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