法兰德斯中国商会 FCCC VCKK
FLANDERS-CHINA CHAMBER OF COMMERCE
VLAAMS-CHINESE KAMER VAN KOOPHANDEL

NEWSLETTER | 18 MAY 2015

FCCC ACTIVITIES

Seminar: How China is improving its foreign investment climate – 28 May 2015, 16 h – Ghent

The Flanders-China Chamber of Commerce (FCCC) is organizing a seminar focused on 'How China is improving its foreign investment climate'. This event will take place on 28 May 2015 at 16 h. in Ghent (location to be determined).

The investment climate in China for foreign investors is undergoing profound and hopefully positive changes recently. In this presentation, Mr. REN Qing, partner of Zhonglun Law Firm, will share his insights about these changes and their implication for foreign investors and foreign invested enterprises, particularly covering:
(1) The draft Foreign Investment Law published in January 2015;
(2) The Catalogue of Industries for Guiding Foreign Investment revised in March 2015,
(3) The uniform Negative List applying to Shanhai, Guangdong, Tianjin and Fujian FTZs published in April 2015, and
(4) The latest development of anti-trust enforcement in China, including the landmark Qualcomm case.
Mr. Ren Qing is a partner of Zhonglun Law Firm, specializing in M&A, anti-trust and trade law. Before joining Zhonglun, Mr. Ren was a deputy director at Department of Treaty & Law, Ministry of Commerce (MOFCOM) of China, and once worked at Embassy of China in Belgium from 2009 to 2011.

Mr. Ren was invited by MOFCOM to participate in the preparation of the Draft Foreign Investment Law as an external expert. He has written a series of articles in Chinese and English to interpret the draft law since the draft law was published this January. Mr. Ren's firm Zhonglun, recognized by Chambers Asia Pacific as PRC Law Firm of the year for 2014, also represented Qualcomm before the National Development and Reform Commission (NDRC) in the landmark anti-trust case which was closed this February.

If you are interested in attending, please register online at www.flanders-china.be

Participation fee for FCCC members: €45, non-members: €75.

EXPO Milano 2015 – EU-CHINA Days: Joint cooperation to enhance investments and business opportunities 9 – 10 June 2015

The EU-China Business Association (EUCBA) and the Flanders-China Chamber of Commerce have the pleasure to invite you to the EU-China Days organized by the European Commission at the World Expo in Milan. The Flanders-China Chamber of Commerce is a member of the EUCBA and is in charge of the Secretariat-General at the EUCBA, which has recently set up an office in Brussels. The EUCBA is an Association of Associations in the European Union countries promoting business relations between European enterprises, institutions and their

Chinese counterparts. Today it counts 20 members from 20 different countries. The European Commission – the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs – is organizing an event focusing on the EU and China, that will see the participation of European and Chinese companies, clusters and institutions.

The event will allow you to get information on the European Commission tools, which can assist and support the internationalization of businesses (in particular SMEs), as well as business relations between Europe and China. You will also have the chance to meet Chinese and European counterparts during the B2B sessions in order to discuss concrete cooperation projects in business, technology transfer and research. By attending this event, you will gain easy access to enterprises, clusters and stakeholders and will get new opportunities and competitive advantages!

You can find detailed information and registration forms for the conference and B2B meetings at the following links:

- EU – China Days (9-10 June, 2015): http://www.euexpo2015-china.talkb2b.net
- Detailed draft programme of the EU-China conference

Participants

- SMEs and big companies
- Clusters
- Research Centres
- BSOs and Institutions

Sectors of the B2B Meetings

- Agro-food manufacturing
- Creativity, cultural heritage and local traditional food
- Space application to agriculture and environmental management
- Health biotechnologies
- Food and wine, tourism
- Other topics relevant to the thematic focus of the brokerage event.

To register for the Conference and/or the B2B, click here.

Programme

6 Apr-29 May	Registration for the Conference.
6 Apr-22 May	Registration for the B2B meetings. Support will be provided for the drafting of cooperation profiles. Once your profile is duly filled, it will be validated by the organizers and will be published online and promoted.
25-29 May	Selection and booking of the B2B meetings. Support will be provided for the matchmaking based on cooperation profiles. Confirmation of the participation at the B2B.
1-8 June	Delivery of the confirmed B2B meetings schedule.
9-10 June	EU-China Event.
10 Jun-14 Oct	Follow-up.

We remain at your disposal for any further information you require and look forward to meeting you at the EU-China Days at the World Expo in Milan!

For more information: www.flanders-china.be

ACTIVITIES SUPPORTED BY FCCC

Asia-Europe Meeting Industry Dialogue on Connectivity – 27-28 May 2015 – Chongqing

The Asia-Europe Meeting Industry Dialogue on Connectivity will be organized in Chongqing, China from 27 to 28 May, 2015. The cooperation on connectivity is the most important area discussed by leaders of Asian and European countries in recent years. This meeting will be a good opportunity to know and participate better in the connectivity cooperation between Europe and Asia.

Background: At the 10th ASEM Summit in 2014 in Italy, leaders “underscored the significance of connectivity between the two regions to economic prosperity and sustainable development and to promoting free and seamless movement of people, trade, investment, energy, information, knowledge and ideas and greater institutional linkages.”

Objectives: The dialogue is intended to provide a platform for ASEM government officials, entrepreneurs, scholars and other stake-holders to share and exchange valuable findings and thoughts on various aspects of connectivity, such as opportunities and challenges, ways of promotion, investment and financing.

Topics:

- New opportunities and industrial cooperation outlook
- Key areas of cooperation in connectivity
- Innovation of cooperation in trade, investment and finance
- Role of major stakeholders
- The way forward

Date: 27-28 May, 2015
Venue: Chongqing Yuelai International Convention Center, Chongqing
For more information and registration: contact Ms Wang Bingdan (wbd_2015@126.com) or Mr Meng Dan (dforest@sina.com)

Antwerp Shanghai Trade & Investment Forum – 4 June 2015 – Antwerp Hilton Hotel, Antwerp

The Antwerp Shanghai Trade & Investment Forum is organized in close cooperation by the City of Antwerp, the Port of Antwerp, Antwerp Headquarters, the Flanders China Chamber of Commerce, Voka Kamer van Koophandel Antwerpen-Waasland, Flanders Investment & Trade, and POM Antwerpen. It will take place on 4 June 2015 from 14h till 17h30 at the Antwerp Hilton Hotel, Groenplaats 32, 2000 Antwerp.

Programme:

- Investment Environment Antwerp and Flanders by Mr. Marc Van Gastel, Investment Director of Flanders Investment and Trade
- Investment Environment Shanghai by Mr. Gu Jun, Vice Chairman of Shanghai Municipal Commission of Commerce
- Investment Opportunities Antwerp:
  Blue Gate Antwerp and BlueChem by Mr. Guido Muelenaer, Manager Strategy & Innovation at Business & Innovation City of Antwerp
  Churchill Industrial Zone by Mrs. Isabelle Van Looy, Sr Consultant Investment Policy at Port of Antwerp

- Investment Opportunities Shanghai, Shanghai Huayi Group by Mr. Liu Xunfeng, Chairman of the Board
- Speech by Mayor City of Antwerp Mr. Bart De Wever.
- Speech by Party Secretary of Shanghai Mr. Han Zheng.
- Signing of MoU Ceremony between City of Antwerp and Shanghai.
- Closing by Vice Mayor Mr. Philip Heylen.
- Networking Cocktail.

Register before May 26. More information is available at ondernemeninantwerpen.be

PAST EVENTS

8th China Green Companies Summit (CGCS) – 20-22 April, 2015 – Shenyang

The 8th China Green Companies Summit (CGCS) was held on 20-22 April, 2015 in Shenyang, Liaoning province. Mrs Gwenn Sonck, Executive Director of the Flanders-China Chamber of Commerce (FCCC) and Secretary General of the EU-China Business Association (EUCBA) attended the Summit. The EUCBA was a supporting partner of the summit, which was organized by the China Entrepreneur Club (CEC). The Summit promotes smart and sustainable growth, and builds partnerships through matchmaking events with enterprises and organizations. The three-day event had a theme of “Game changers: Creating new business value”. The summit was first held in 2008 in Beijing with the focus on sustainability in the economy and is one of China's most influential meetings of its kind. Participants discussed the “One belt, one road” initiative, the new Silk Road, the Industry 4.0 concept, the environment, innovation and start-ups. Investment roundtables were held on health, agriculture, and consumption. Green companies roundtables discussed corporate development; the trend from "made in China" to "created in China"; and environmental industries. It was the first time the summit was held in North-east China.

Lunch-meeting: Building a Successful Plant in Weihai, Shandong Province – 16 April 2015 – Gent

The Flanders-China Chamber of Commerce and the Weihai EU Office in Ghent organized an information meeting on 'Building a Successful Plant in Weihai, Shandong Province'. This meeting took place on April 16^{th} at the Voka Box in Gent.

Representatives from the Weihai Economic and Technological Development Zone (Weihai ETDZ) offered an insight into the economic environment and main sectors for investing in the Zone and the EU-China (Weihai) Industrial Park. In addition, Bekaert also shared their experiences of building a successful plant in this zone.

Weihai City is a coastal city in Shandong. Located south of downtown Weihai, the Weihai Economic and Technological Development Zone was set up by the State Council in 1992. The pillar industries of Weihai ETDZ are electronics, pharmaceuticals, automobile parts, textiles, machinery, food processing, ICT and Environmental Protection Technology. It consists of several industrial zones, including Export Processing Zone (Weihai EPZ), Harbor Industrial Park and EU-China (Weihai) Industrial Park. The EU-China (Weihai) Industrial Park was set up in 2012 and covers an area of 14.4 sq km.

The City of Weihai and the City of Ghent have a sister city agreement, while the Flanders-China Chamber of Commerce and the City of Weihai have a longstanding cooperation agreement.

NOTICE

FCCC takes on new challenges within the EU-China Business Association

We have the pleasure to inform you that with 10 years of success behind us, the FCCC is still growing and ready to take on new challenges. We were asked earlier this year to take a leading role in the EU-China Business Association (EUCBA), the organisation that unites all the Chinese business associations in Europe. The EUCBA promotes economic and trade relations between the EU and China.

This will lead to some exciting changes. With the support of the Government of Flanders, we are increasing our activities at the EU level. Our next big challenge will be the co-organisation of the EU-China Business Summit. This Summit and future similar events will give you and other members better exposure to companies and institutions at an EU level.
As from April 1st 2015, EUCBA will operate from their new office at the premises of Flanders Investment & Trade in Brussels. The FCCC will be responsible for the secretariat-general of the EU-China Business Association and we will be partly working in Brussels and in Ghent.

The FCCC will continue to:

- Offer Advice and Expertise: the FCCC provides information about the latest economic and trade developments via publications, weekly newsletters and interviews with member companies offering valuable information on how to enter the Chinese market.
- Meet Chinese Delegations: thanks to its extensive network the FCCC plays an important role in welcoming Chinese delegations to our country. We introduce Flemish entrepreneurs to non-traditional investment areas and help facilitate entry in the Chinese market.
- Exchange Experiences and Share Knowledge: the FCCC regularly organises conferences and round tables on China so participants can exchange experiences, facilitate, collaboration and create networking opportunities.

Our new contact details are provided below.

Members are always welcome to suggest topics for activities (e.g. seminars, lunch meetings, etc.) they would like FCCC to organise.

We look forward to meeting you at one of our next activities and thank you for your support.

New addresses, telephone and fax numbers of the Flanders-China Chamber of Commerce (FCCC)

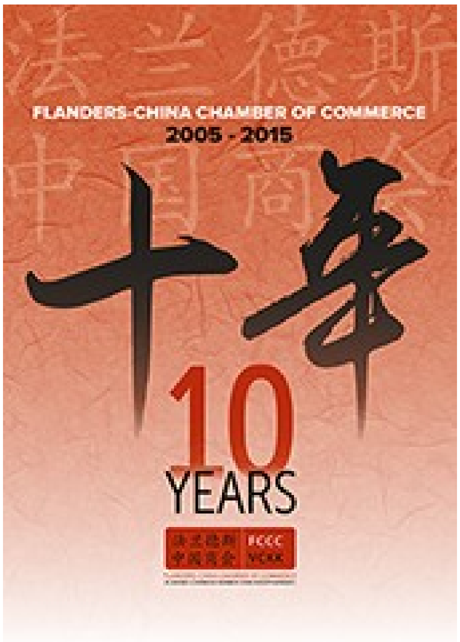
Please note the new addresses, telephone and fax numbers of the Flanders-China Chamber of Commerce (FCCC).

Offices: Ajuinlei 1, B-9000 Gent – Belgium
New telephone and fax numbers:
Tel.: +32/9/269.52.46
Fax: ++32/9/269.52.99

Registered office: Zenith Building, Koning Albert-II laan 37, 1030 Brussels

PUBLICATIONS

FCCC publishes “10 Years: Flanders-China Chamber of Commerce 2005 – 2015”



On the occasion of its 10th anniversary, the Flanders-China Chamber of Commerce has issued the publication “10 Years: Flanders-China Chamber of Commerce 2005 – 2015”. The publication bundles interviews with H.E. Qu Xing, Ambassador of the People's Republic of China to Belgium; H.E. Michel Malherbe, Ambassador of Belgium to the People's Republic of China; Mrs. Claire Tillekaerts, CEO of Flanders Investment & Trade; Mr. Stefaan Vanhooren, President Agfa Graphics; Mr. Matthew Taylor, CEO, Bekaert; Mr. Stephan Csoma, Executive Vice President and two other Executives, Umicore; Christian Dumoulin, CEO, Vitalo; Filip Goris, General Manager Asia, Recticel; Mr. Hudson Liu, CEO, Huawei; Mr. Li Shufu, Chairman, Zhejiang Geely Group; Mrs. Chai Hui, General Manager Brussels Branch, ICBC; Mr. Robert Zhao, Chief Representative of the Weihai EU Office in Ghent; Mr. David Liu, Deputy Managing Director, APM Terminals; and Mr. Ma Jian, Chairman, Tianjin Liho Group.

Mr. Geert Bourgeois, Minister-President of the Government of Flanders, wrote the foreword to the publication. Chairman of the FCCC, Mr. Bert De Graeve, provided the introduction and Mrs. Gwenn Sonck, Executive Director of the FCCC, provided some more details about the FCCC.

The publication is available to Members of the FCCC free of charge.

Here is the link to the brochure online.

ADVERTISEMENT OPPORTUNITIES

Advertisement opportunities FCCC 10^{th} Anniversary publication, Newsletters and Website

This year, the Flanders-China Chamber of Commerce celebrated its 10^{th} anniversary! We would like to give your company the opportunity to give more exposure about your companies' activities to Belgian companies active on the Chinese market and Chinese companies present in Belgium.

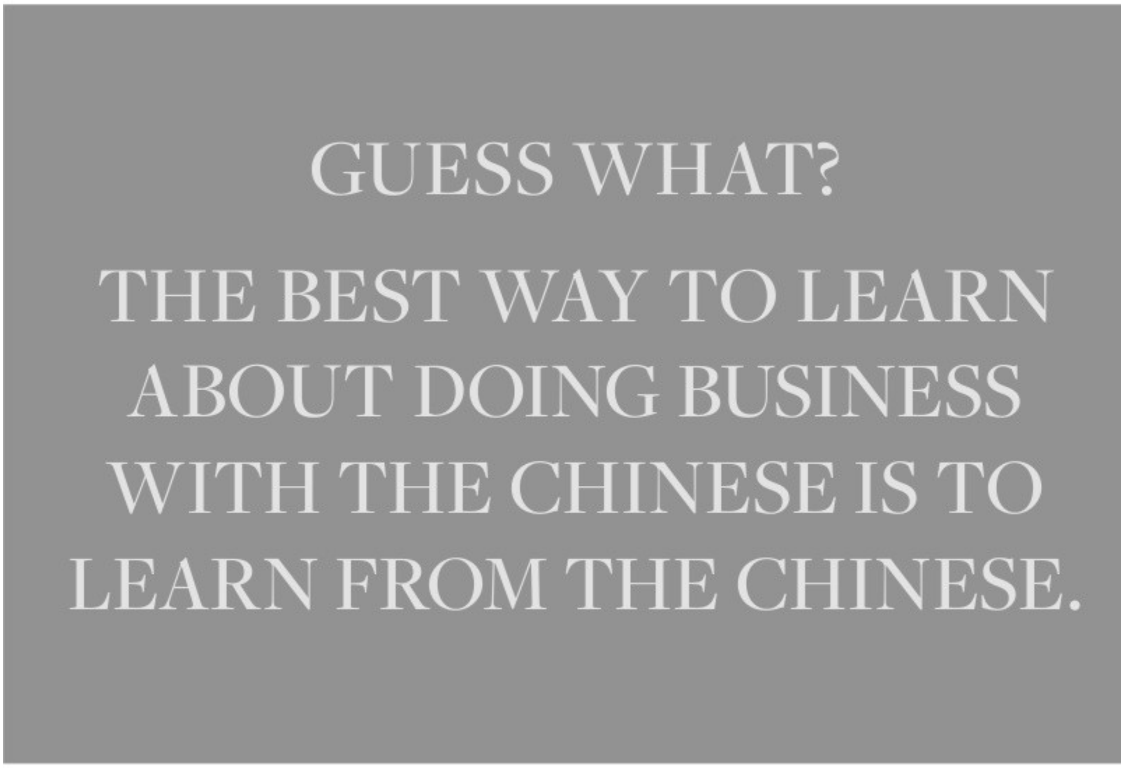
There are still opportunities to advertise in the second printing of the 10^{th} anniversary publication.

In the link below you can find further information and a proposal for sponsorship as well as advertisement opportunities on our website and newsletters.

Link advertisement opportunities

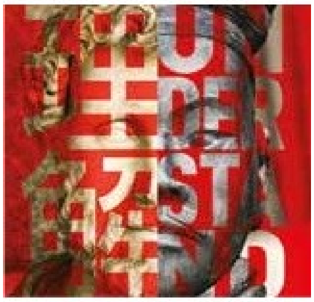
ADVERTISEMENT

An Executive MBA by IMD & CKGSB



All over the world, people are beginning to do business with China. All over China, people have been doing it for centuries. So, who better to help prepare you for China's increasing influence on the global marketplace? While the Chinese economy continues to grow, gaining expert knowledge from the other side of the business fence can give you an unquestionable advantage in leading the way between China and he world.

CKGSB: Cheung Kong Graduate School of Business and IMD business school can help you develop your understanding of China with a fully global perspective. CKGSB is recognized as China's world-class business school with an alumni base that accounts for 13.7% of China's GDP. Our world-class faculty represents many of the best minds from the U.S. and Europe's top business schools. IMD is a top-ranked business school.100% focused on executive education, IMD offers Swiss excellence with a global perspective. Together these two leading business schools have devised the Executive MBA program.



The Executive MBA by IMD & CKGSB is designed in two stages – the foundation stage and the mastery stage. The program will allow you to master Eastern and Western business concepts and practices whilst gaining all-important international connections. The program will also strengthen leadership, strategy and general management skills.

Made up of equal numbers of participants from both Eastern and Western businesses, the program will include 11 weeks of face-to-face learning. The program is scheduled to take place from February 2015 until September 2016 with a unique split of 50/50 program delivery across Eastern and Western locations. Delivered by two world-class business schools, the IMD-CKGSB Executive MBA is the ideal answer for fast-rising executives who want to create value for their organizations by spanning both East and West. You'll go beyond the basics to a true understanding of the forces that will be shaping the world of business in the future.

For admission details or further information visit imd.ckgsb.info

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Hainan Airlines is your 5 Star Airline awarded by Skytrax,
operating direct flights from Brussels to Beijing.
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to 50 domestic destinations including Hong Kong and Taipei.
A seamless connection and a convenient transfer service will bring you
via Beijing to your destination in Hong Kong.

AUTOMOTIVE

Car prices cut amid market slowdown

Major automakers started slashing prices in mid-April to sell larger volumes of cars, after sluggish sales in the first four months in the cooling Chinese market. The latest move was by Ford China who announced CNY40,000 off the suggested retail price for its imported Ford Explorer SUV on May 15. The largest price cut of CNY53,900 was made to the locally-made Chevrolet Captiva by Shanghai General Motors, which marked down 40 versions of 11 models, including Cadillacs. Shanghai Volkswagen declared cuts of up to CNY10,000 on the manufacturer's suggested retail prices for several models. FAW Volkswagen slashed prices of its entire lineup with cuts of up to CNY7,800. Beijing Hyundai offered to waive consumer loan interest for as long as three years for buyers, a move that followed on the heels of Chang'an Ford, which offered to cover buyers' 10% purchase tax of up to about CNY30,000. The country's passenger car sales totaled 8.14 million units in the first four months, with 2.77% year-on-year growth, down from 10.5% growth during the same period last year, the China Daily reports.

- China's passenger car sales grew nearly 7.7% to 6.97 million units in the first four months from a year ago, with deliveries of SUVs soaring almost 48.73% to 1.75 million while MPV sales surged 20.02% year-on-year to 749,800, according to the latest data from the China Association of Automobile Manufacturers (CAAM). Total vehicle sales, including trucks and buses, increased by 2.77% to 8.14 million units.
- Volvo Cars will build a USD500 million plant – its first in the United States – in South Carolina and eventually employ up to 4,000 people there, the company announced. The plant is initially expected to make about 100,000 vehicles a year, with the first ones ready in 2018. South Carolina beat four other states, including Georgia.
- Several software programs will be banned during bidding for Shanghai car plates at this month's May 23 auction. The announcement follows allegations that some agents used software to boost their chances of winning the bids. 7,482 car plates will be available this month – 806 less than last month.

FINANCE

Foreign reserves show a record decline in Q1

China's foreign exchange reserves fell by a record USD79.5 billion in the first quarter of the year from the last quarter in 2014. Official balance of payments data released by the State Administration of Foreign Exchange (SAFE) showed that the decline was more than USD29.3 billion in the fourth quarter of last year. Analysts and experts said this indicates a larger-than-expected capital outflow. At the end of last year, China's total foreign exchange reserves were USD3.84 trillion, compared with USD3.82 trillion in 2013, and remained the world's largest. SAFE has adjusted the calculation process for balance of payments in line with the International Monetary Fund (IMF) standards. In the first three months, the country's current account surplus increased to USD78.9 billion, up from USD67 billion in the fourth quarter in 2014. The deficit on the financial and capital accounts also expanded to USD78.9 billion from USD30.5 billion. Volatility of cross-border capital flows has increased since the second half of last year. Guo Tianyong, Director of the Research Center of the Chinese Banking Industry at the Central University of Finance and Economics (CUFE), said the large drop in foreign exchange reserves will have little effect as the overall total remains huge. Another cut in the reserve requirement ratio (RRR) is expected. Since early February, the central bank has cut the RRR by 150 basis points, increasing liquidity by more than CNY1.8 trillion, the China Daily reports.

China adopts IMF accounting practice

China adopted the International Monetary Fund's standards for its latest balance of payments data as the nation seeks to obtain reserve-currency status for the yuan. The changes, effective this year, include putting reserve assets under the financial rather than the current account, according to a statement posted on the State Administration of Foreign Exchange (SAFE) website. With the adjustment, the country's first-quarter current-account surplus of USD78.9

billion is the same as the deficit under the financial and capital headings. Officials at the People's Bank of China (PBOC) have called for the IMF to include the yuan in the institution's basket of reserve currencies, and adopting global accounting norms will support its case before a review later this year. The yuan failed to qualify in 2010 as it was not judged to be "freely usable" in trade and finance. "Adjusting to international standards is essential as China wants the yuan to be a reserve currency," said Daniel Chan, Analyst at Brilliant & Bright Investment Consultancy in Hong Kong. China is making the yuan more freely usable in order to be included in the IMF's Special Drawing Rights (SDRs) basket, Bank of China Governor Zhou Xiaochuan said in Washington on April 18. The yuan reclaimed fifth place in global payments last month, according to the Society for Worldwide Interbank Financial Telecommunication (SWIFT). China's foreign-exchange reserves shrank by USD113 billion to USD3.73 trillion in the first quarter, a third straight quarterly decline. Yuan positions on the Bank of China's balance sheet – a barometer of capital flows – fell by a record CNY252.1 billion. The yuan has gained 0.6% in the past three months, the South China Morning Post reports.

- Smaller banks in Shanghai are offering higher interest rates to lure depositors after the central bank's latest rate cut, which is expected to benefit home buyers, according to analysts. City commercial and joint-stock banks have raised their one-year deposit rate above 2.75% after the People's Bank of China (PBOC) cut the benchmark rate to 2.05%. The Bank of Nanjing offers the highest rate of 3.15% among 27 domestic and foreign banks. The PBOC allows banks to offer deposit rates of up to 50% above the benchmark.
- India has named private banker K. V. Kamath, 67, as the first head of the New Development Bank being set up by the BRICS group of emerging market economies. The bank, which will fund infrastructure projects in developing nations, will be based in Shanghai. It will be headed by an Indian national for the first five years, followed by a Brazilian and then a Russian.
- The real estate, materials and transport sectors are expected to emerge as the biggest winners from Beijing's latest rate cut, with financial firms seen as losers. The People's Bank of China (PBOC) on May 10 cut the benchmark lending rate by 25 basis points to 5.1% while the one-year benchmark deposit rate was cut by the same amount to 2.25%.
- China has extended USD3 billion credit to Belarusian companies and USD4 billion in commercial credit to Belarusian banks for financing business projects. The credits were part of a number of deals resulting from the visit by Chinese President Xi Jinping to Minsk.
- China's listed commercial banks are expected to accelerate the expansion of their credit asset securitization in 2015, according to a report by Ernst & Young, which also revealed China last year issued 66 asset-backed securities worth a total of CNY281.98 billion, compared with CNY101.8 billion between 2005 and 2013. Steven Xu, Partner with EY Financial Services, Greater China, said: "Credit asset securitization will be an important engine of growth for Chinese banks."
- Chinese banks lent CNY707.9 billion in yuan loans in April, CNY185.5 billion more than the same month last year but nearly CNY500 billion below March's lending. M2, the broad measure of money supply, rose 10.1% in April from a year ago, slowing from March's 11.6% and missing the official target of 12%. The growth was the slowest since records began in 1998.
- Four Chinese banks have rapidly increased their exposure to China's estimated CNY1.9 trillion in margin lending as rating agencies warn of the risks of leveraged investing. Industry-wide exposure to margin lending is estimated at about 7% of total off-balance-sheet lending but the exposure at China Everbright Bank, China Minsheng Bank, China Merchants Bank and Bank of Communications was much higher, an insider said.
- Growth in China's fiscal revenue remained low in April, while expenditure accelerated sharply. Fiscal revenue rose 5.1% to CNY4.99 trillion, 6.3 percentage points lower than the increase in the same period last year. The Ministry of Finance blamed lower global commodity prices that sparked a fall in import value, combined with slowing industrial activity.

- China may allow banks to sell their non-performing loans (NPLs) as asset-backed securitization products this year as the state will add CNY500 billion in new quota to the program, Moody's Investors Service said. The domestic securitization market is now worth about CNY350 billion. The NPL ratio rose to 1.33% by the end of March, up 0.11 points quarter-on-quarter.
- The BRICS Development Bank – formally known as the New Development Bank – will be operational as early as the end of this year or the beginning of 2016, and membership will not be limited to the group's five members, Vice Finance Minister Shi Yaobin said. The institution will be open to all United Nations members, with inclusion agreed by its Board of Governors. The first meeting of the bank's Board of Governors will be in early July during the BRICS summit in Russia, at which it will formally appoint its President and Vice Presidents.
- China's fiscal spending jumped 33.2% in April to CNY1.25 trillion from a year earlier, the Ministry of Finance said, quickening sharply from the 4.4% rise in March, reflecting the government's efforts to support a slowing economy. For the first four months, spending rose 26.4% from a year earlier. Fiscal revenues rose 8.2% in April from a year earlier.

FOREIGN INVESTMENT

FDI rises 11.1% in first four months

Foreign direct investment (FDI) in China jumped 11.1% year-on-year to CNY273.61 billion in the first four months of 2015, the Ministry of Commerce (MOFCOM) said. The pace slowed from the 11.3% gain in the January-March period but far exceeded the annual growth rate of 1.7% in 2014. China approved 7,790 new foreign-funded companies in the first four months, up 17% year-on-year. A total of 2,262 foreign companies closed their business operations in China during that period and 746 international firms trimmed their investment in the country, drops of 14.5% and 26% respectively on a year-on-year basis. The service industry's FDI totaled USD28.14 billion in the period, up 24.8% year-on-year. This accounted for 63.2% of all FDI during the period. Some high-end manufacturing businesses saw fast investment growth. Investment climbed 9.9% year-on-year in communication equipment, computer and other electric facility manufacturing in the first four months, and 2.4% annually in traffic equipment manufacturing.

China to build more industrial parks abroad

China is seeking to establish more overseas industrial parks as part of its "One Belt, One Road" strategy, in an effort to boost flagging foreign trade. The push for the parks is covered by new guidelines released by the State Council as part of a national drive to revitalize trade by raising product quality and diversify exports from goods to services, technology and capital. The guidelines came as figures showed China's foreign trade in the first quarter was down to CNY5.54 trillion – a 6% drop on the same time last year. Exports slumped 15% year-on-year in March to USD144.6 billion after increasing by nearly half in February. The guidelines aim to help domestic businesses and industries set up abroad by seeking international cooperation in such areas as nuclear energy, transport, railways and car manufacturing. They also support the garment, textile and food processing industries by targeting investments in nations covered by the "One Belt, One Road" strategy. The strategy will involve building more Chinese-owned industrial and technology parks abroad. The guidelines were dated February 12, but were only released to the public last week, the South China Morning Post reports.

- Telecom firm ZTE Corp is putting the final touches on an investment plan to build a factory in Belarus. Together with VASL Speditions-und Handelsgesellschaft, a German company specializing in logistics, trade and consultancy, ZTE will manufacture telecommunication products at the 90-square-km China-Belarus Industrial Park in Minsk, which is due to open next year. In 20 years, the park is expected to become a high-tech city of at least 200,000 people.
- China's richest man, Dalian Wanda Group Chairman Wang Jianlin, has vowed to invest at least USD5 billion in the United States as part of his ambitious plan to build a world-class business empire. Wang's Wanda has already spent at least CNY62 billion

on overseas assets including a U.S. cinema chain, a British luxury yacht maker and a historic skyscraper in Madrid, Spain.

- Investments from China in the European Union surged 487% in the first four months of this year. Total global outbound direct investment (ODI) by Chinese enterprises reached USD34.97 billion between January and April, up 36.1% on a year-on-year basis.
- Cosco Pacific, the port unit of China Ocean Shipping Group, is distancing itself from any involvement in the privatization of the Piraeus Port Authority (PPA) in Greece. Privatization of PPA, controlled by the Hellenic Republic Asset Development Fund (HRADF), was launched in March last year, as part of a massive state assets sell-off to relieve Greece's credit crunch.

FOREIGN TRADE

China becomes top importer of crude oil

China overtook the United States as the world's top importer of crude oil for the first time in April, and its purchases are expected to remain strong despite a slowing economy. China's crude oil imports hit a record of nearly 7.4 million barrels per day (BPD) in April. China is already the world's biggest energy consumer. A 60% drop in global oil prices between June 2014 and January 2015 due to a supply glut encouraged China to build up its stocks. Chinese oil trading companies like Unipec or China Oil are playing on increasingly important role.

- The European Union has imposed anti-dumping duties on imports of grain-oriented flat-rolled electrical steel from China, Japan, Russia, South Korea and the United States. The duties are provisional, pending the outcome of an investigation due to end in November. Duties of 28.7% will cover imports from Chinese companies, including Baosteel Group Corp and Wuhan Iron and Steel Corp.

HEALTH

China to scrap hospital drug sales mark-ups in 100 big cities

The controversial 15% mark-up on drug sales in Chinese hospitals is to be scrapped in a pilot program covering public health centers in 100 big cities this year. The hospitals, in prefecture-level or above cities, will no longer be able to complement their income by selling drugs and will instead rely on funding from local authorities and charges for medical services to cover their costs. All public hospitals in China are required to abandon the mark-up over the next two years. On average, hospitals receive only about 10% of their income from the government, with many using the mark-up to raise their income. The Chinese government said hospitals should raise prices for medical services, improve management and reduce operational costs.

IPR PROTECTION

Luxury goods makers sue Alibaba Group

A group of luxury goods makers has sued Alibaba Group Holding, contending the online shopping firm had knowingly made it possible for counterfeiters to sell their products throughout the world. The lawsuit was filed in a Manhattan federal court by Gucci, Yves Saint Laurent and other brands owned by Paris-based Kering seeking damages and an injunction for alleged violations of trademark and racketeering laws. The lawsuit alleged that Alibaba had conspired to manufacture, offer for sale and traffic in counterfeit products bearing their trademarks without their permission. A Spokesman for Alibaba, Bob Christie, said in a statement: "We continue to work in partnership with numerous brands to help them protect their intellectual property, and we have a strong track record of doing so. Unfortunately, Kering Group has chosen the path of wasteful litigation instead of the path of constructive cooperation. We believe this complaint has no basis and we will fight it vigorously." Concerns over fake products on Alibaba's platforms, including online marketplace Taobao, have dogged it for years, although the U.S. Trade Representative removed Taobao from its list of "notorious markets" in 2012 in light of progress made.

- The online patent search and service system developed by the State Intellectual Property Office (SIPO) recently released versions in Russian, Spanish, Portuguese, Japanese, French, Arabic and German to go along with its original Chinese and English versions. The system first went online in 2011.
- The Guangzhou city government will invest CNY400 million to spur the application of patents through 2019. Local patent owners will earn a subsidy from CNY1,300 to CNY7,700 after securing a new patent and will be awarded a CNY2,000 bonus if it is their first patent.

MACRO-ECONOMY

Shenzhen most modernized city in Guangdong province

Shenzhen has increased its lead over Guangzhou as the most modernized city in Guangdong province, with innovation and the high-tech industry being the biggest driver of its rapid development, according to a recent report by the Guangdong Academy of Social Sciences. The Academy evaluated a modernized city from five perspectives: economic development, social development, quality of life, ecological civilization and science and technological education. The high-tech industry in Shenzhen accounted for 56.6% of the city's industrial output, while the proportion in Guangzhou was less than 12%. Shenzhen spent 5% of its GDP on research and development (R&D) in 2013, while Guangzhou spent just over 1%. There are more than 58 invention patents for every 10,000 people in Shenzhen, six times the number of Guangzhou. Moreover, Shenzhen filed more than 10,000 international patents under the Patent Cooperation Treaty in 2013, more than any other city in China and representing 48% of the country's total.

China’s economy continues to weaken

China’s economy continued to weaken in April, with retail sales and bank loans slowing, money supply growing at a record low, infrastructure spending most sluggish in 15 years, housing starts plummeting and industrial production missing forecasts. The monthly figures from the National Bureau of Statistics (NBS) hardened the image of what is now called the “new normal” and fueled expectations that the government will take even more dramatic steps to meet its 7% growth target for this year. “It’s worse than what most people had expected, especially on the investment side,” Louis Kuijs, China Economist at Royal Bank of Scotland in Hong Kong, told Reuters. “All of this suggests that the downward pressures on growth in China are persisting.” Growth of fixed-asset investment (FAI) slowed to 12% in the first four months – its weakest pace since 2000. Industrial production in April rose 5.9% from a year earlier, slower than economists predicted. Retail sales rose 10% to CNY2.23 billion, slipping from a 10.2% gain in March. “This set of data suggests that growth in the first month of the second quarter could drop to below 7%,” said Zhou Hao, Economist at Australia & New Zealand Bank. Money supply growth in April slowed to a record low of 10.1%, and new bank loans of CNY708 billion were a fifth lower than expected. “The property sector remains the biggest drag on the economy,” Nie Wen, Economist at Hwabao Trust, told Reuters. Investment in property slowed to 6% growth in the first four months of the year, its weakest level since 2009, and new property construction fell 17.3%, the Shanghai Daily reports.

- Salaries for fresh college graduates jumped 20% last month from a year ago, with the biggest hirers being information technology and internet firms, according to recruitment portal zhaopin.com. The average salary offered for fresh graduates was CNY4,793 per month, about CNY840 more than a year ago, the website said in a survey conducted in April that covered 58,996 university students who are slated to graduate in July.
- Chinese Premier Li Keqiang has reiterated the need to cut red tape to nourish new areas of economic growth, equating the environment to “shackles” that restrict entrepreneurs and investment. Li told senior and mid-level officials that government oversight had “not only suppressed the vitality of economic development, but also resulted in a high administrative cost and a hotbed for graft”.
- For the first time in a decade, Hong Kong has been unseated as the most competitive city in China, according to the Blue Book on Urban Competitiveness of the Chinese

Academy of Social Sciences (CASS), which placed Shenzhen in the top spot. Hong Kong had held first place since 2005 when it was first put on the list, which ranks 294 cities across the country and includes Taiwan. Shanghai ranked third in the survey, while Taipei came in fourth and Guangzhou fifth.

MERGERS & ACQUISITIONS

China-focused VC and PE funds raise less money

China-focused venture capital (VC) and private equity (PE) funds raised less money last month even as new funds continued to emerge. Sixty VC/PE funds raised an aggregated USD1.68 billion in April, down 34.4% from March and 48.2% lower year-on-year, Beijing-based Zero2IPO Research said in a report. Fifty-six were yuan-denominated funds which raised USD1.25 billion, or 74.7% of the total, while foreign currency-denominated funds took up the rest. “The decrease reflected a sluggish fundraising market since January while fundraisers’ enthusiasm continued to run high with an increasing number of new funds being set up,” Yang Mei, Researcher with Zero2IPO wrote in the report. There were 74 PE/VC funds set up in April, a 160% surge from a month earlier. The average fundraising target was USD1.48 billion, more than doubled from an average of USD579 million in March. Of the new funds, 50 are planning to invest in firms traded on China’s over-the-counter (OTC) equity market. The rise of the OTC market has caught the attention of PE/ VC firms as it provides a new exit channel for funds. By the end of April, there were 2,343 firms traded on the OTC board, with a market capitalization of CNY1.1 trillion, the Shanghai Daily reports.

- Chinese companies made 23 merger and acquisition (M&A) deals worth USD12.3 billion in Europe in the first quarter, up 59.7% from the same period a year earlier, according to a report by ING Group. China National Chemical Corp's USD8.1 billion acquisition of Italian tiremaker Pirelli was the largest deal by a Chinese company in Europe in the first quarter.
- Haier Group, the world's second-biggest refrigerator, washing machine and air conditioner group, is putting big overseas acquisitions in the deep freeze to focus on innovation and connectivity. Zhang Ruimin, the 66-year-old Chief Executive, said global overcapacity and a shift to advanced manufacturing in a wireless age had put off talk of large acquisitions. In recent years, Haier has bought New Zealand's Fisher & Paykel Appliances and Japan's Sanyo Electronics to compete against worldwide home appliances leader Whirlpool and other global brands.
- Jack Ma, Chairman of Alibaba, has bought a 56% stake in Hong Kong mid-cap brokerage Reorient Group for HKD2.7 billion. The disclosure follows the Alibaba Group Holding Chairman's USD200 million investment in Chinese private conglomerate Fosun International's HKD9.3 billion private placement.

REAL ESTATE

Real estate companies Wanda and Vanke join forces

Two of China's biggest property companies announced a strategic partnership amid growing pressure from slowing real estate sales. Dalian Wanda Group Co, China's largest commercial property group, and China Vanke Co, the country's biggest listed real estate developer by sales, plan to jointly buy land and develop real estate projects. Wanda and Vanke are also keen to collaborate on global projects with each company playing to its strengths. “The cooperation will not involve a reshuffle of the two companies and more details will be revealed soon,” said Wang Jianlin, Chairman and President of Wanda. Striking the right balance will be crucial if the partnership is to work. Earlier in 2015, real estate companies Greentown China Holding and Sunac China Holding called off their cooperation agreement after just one year. In 2014, Wanda Group reported revenue of CNY242.48 billion, up 30% year-on-year. Vanke’s profit increased 4.2% last year compared to 2013 after the government eased property curbs, boosting demand from first-home buyers. But the company saw its profit drop 57.49% in the first quarter from the same quarter of last year as sales of new housing slowed and home prices slumped.

Grade A office rents higher in Beijing than Shanghai

Shanghai has lost its position to Beijing as China's most expensive office location in 2010 and is unlikely to see a return to No 1 in the next five years. A huge supply in the pipeline will force many of Shanghai's landlords to cut rents to secure tenants to fill their buildings. In 2008, Shanghai Grade A rents – at CNY350 per square meter – were fully 64% higher than those in Beijing, according to Andrew Ness, DTZ's head of research for Greater China. “Currently, Grade A office rents average CNY268 per sq m per month in Shanghai and CNY382 per sq m per month in Beijing, so Grade A office rents in Beijing are indeed 43% higher than those being quoted for similarly high-grade buildings in Shanghai,” said Ness. A separate study by Colliers International found a similar trend and highlighted that, on net effective rent, Shanghai lost its most expensive office location position after the global financial crisis. Chinese corporations expanded their office presence in Beijing rapidly under the central government's CNY4 trillion economic stimulus package, bringing office rents in the city up 42.6% year-on-year in 2011. The most expensive office building in Beijing, and in the whole country, is China World Tower (previously known as China World Trade Center 3) with an achievable average monthly rent of about CNY569 per sq m at the end of the first quarter, according to Colliers Research, the South China Morning Post reports.

- The value of new home sales continued to fall slowly in China in the first four months of this year. Over CNY1.49 trillion worth of new homes, excluding government-subsidized affordable housing, were sold in China between January and April, an annual drop of 2.2%. By area, 232.84 million square meters of new houses were sold, a drop of 5%.
- Beijing Xinjingrun Real Estate, a developer of a luxury housing complex in Beijing, has caused a media sensation by defying the property downturn and putting some of the units on the market at a record price of CNY500,000 per square meter. The complex consists of nine buildings, each with four penthouse residential units measuring about 1,000 sq m. Described as “hanging courtyards”, the apartments each have a pool, spa, banqueting hall and other luxury features. A unit costs CNY360 million to CNY500 million. None of the apartments in this price range has been sold.

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RETAIL

High-end restaurants' revenue fell 6% last year

China's high-end restaurants recorded a 6% fall in revenue last year due to the country's economic slowdown and government curbs on extravagant or wasteful spending by officials. The number of diners at top class restaurants rose by about 10% in 2014, but the amount they spent fell on average by 20%, a report from the China Hotel Association said. The Chinese catering business has entered a "period of profound transformation", the report said, with less spending by officials but a steady increase in the number of other diners. After three consecutive years of slowed growth, the sector recovered in terms of overall revenue at all types of restaurant in 2014. Takings rose 9.7% compared with the previous year, mainly due to spending on events such as holiday breaks and wedding banquets. The sector is "turning from big and high-end to small and delicate", the report said. Hotpot and fast food were the most popular forms of cuisine, with sales climbing by over 16% and 11% respectively last year. Hotpot eateries also have the biggest share in the top 100 highest earning restaurants in mainland China, as they were most profitable due to low labor costs, raw materials and use of fuel. Guangdong ranked first in terms of consumption in restaurants, with total spending of about CNY284 billion, the South China Morning Post reports.

- The Chinese smartphone market has slowed for the first time in six years in the first quarter, according to a new report, just as a host of new companies are planning to wade in with new offerings. International Data Corporation (IDC) said shipments contracted 4% year-on-year to 98.8 million units as the market continued to mature. Apple ranked as the largest seller, followed by Xiaomi. IDC warned that the market is becoming saturated.
- China's gold sales in the first quarter fell to 272.9 tons, down 7% from a year earlier, the World Gold Council (WGC) said. Jewelry demand slumped by 10% to 213.2 tons.
- The Ministry of Commerce (MOFCOM) predicted that China's e-commerce transactions will hit CNY22 trillion in 2016, almost double the CNY13.4 trillion in 2014. The Ministry plans to "nurture 200 counties to lead e-commerce development in rural regions" by encouraging them to sell farm produce online, and set up 60 national e-commerce demonstration parks and establish 150 "e-commerce companies with strong competitiveness".
- Walt Disney Co's first retail store in China – the biggest in the world – will open in the Pudong New Area of Shanghai on May 20. More than 2,000 Disney products, including clothing, smartphone covers, stationery and bags, will be sold in the Shanghai store at 180 Fenghe Road in Lujiazui. The store's opening is part of the run-up to the opening of the Shanghai Disney Resort in the spring of 2016 – the first Disney theme park on China's mainland.

SCIENCE & TECHNOLOGY

China the world's biggest source of foreign students

China is the world's biggest source of international students, with its growing middle class increasingly sending their children for studies abroad. A record 460,000 Chinese studied overseas last year, up 11% from 2013, according to the Ministry of Education. Dr Wang Huiyao, Director of the Center for China and Globalization, said this indicated China was entering a new era in globalization. "These students aren't just studying in the United States or western Europe, but also in Malaysia, India and Russia, among other countries. This will improve China's talent reserve and its globalization capacity as it pushes its 'One Belt, One Road' strategy," he said. But Researcher Chu Zhaohui of the National Institute of Education Sciences said that while an open education market marked social progress, it was also dangerous if local universities lost students.

- Chinese scientists have achieved a significant breakthrough which could help them build the first quantum camera for satellites within five years. In a paper in the latest issue of the Scientific Reports journal, Professors Gong Wenlin and Han Shensheng detailed a revolutionary method to achieve high-resolution far-field imaging with a quantum camera, which could help snap images an ordinary lens can not, such as objects obscured by clouds or smoke.

- China will launch up to four satellites for its Beidou Navigation Satellite System this year, Yang Changfeng, Chief Designer of the system, told reporters on the sidelines of the Sixth China Satellite Navigation Conference in Xian, capital of Shaanxi province. The Beidou system will be made up of 35 satellites by 2020.
- A supercomputer developed by Chinese internet firm Baidu has beaten those from Google and Microsoft in an annual image recognition challenge, a step forward for the company in the development of artificial intelligence (AI). The structure of the Minwa supercomputer is tailored to simulate the human brain, with chipsets functioning as neurons. It is one of the top 10 fastest such machines in the world.
- Scientists might be a step closer to finding a type of white blood cell that kills all flu viruses. In a paper published in the latest issue of the journal Nature Communications, a team of Chinese and Australian researchers reported that CD8+ T cells helped flu victims recover much faster. The breakthrough could lead to the development of a vaccine against all new influenza viruses.

STOCK MARKETS

20 IPOs to reduce liquidity on secondary market

A spate of initial public offerings (IPOs) in China could lock up some CNY3 trillion this week as 20 companies enter the market, analysts estimate, reducing liquidity. IPO subscriptions typically divert funds away from listed shares, putting pressure on the secondary market. It is the second batch of IPOs approved in less than a month, signaling regulators' intention to cool a red-hot market by increasing the supply of shares. "Regulators have said they would accelerate IPO approvals and we're seeing it happen," said Zhang Chen, Analyst at Shanghai-based hedge fund manager Hongyi Investment. Regulators are clamping down on speculative activity by reducing leverage in stock trading. Shanghai-based budget airline Juneyao Airlines is among the companies that will launch IPOs. Its prospectus says it plans to raise up to CNY6.8 million.

- Rogue trader Nick Leeson says the surge in trading volume and rapid pace of regulatory change around the Shanghai-Hong Kong stock connect have created conditions ripe for market manipulation. The trader who broke Barings Bank in 1995 by making unauthorized bets on the futures markets in Singapore said the explosive pace of change had likely created a mismatch in available information to stock market dealers and regulators.
- China National Nuclear Power Co, one of the country's three state-owned nuclear power developers, received approval from the China Securities Regulatory Commission (CSRC) to launch its initial public offering (IPO), hoping to raise more than CNY16 billion. About CNY9.2 billion of the funds will be used in building and operating 10 coastal nuclear power stations in Jiangsu, Zhejiang, Fujian and Hainan provinces, with the rest used as working capital. It is expected to become the largest A-share floatation in four years.
- Four new billionaires emerged on May 12 in China after the biggest three-day gain in Chinese stocks since January pushed their shares by exchange-imposed limits to new highs. Sun Jinguo, Founder of Zhejiang Jingu, which makes wheels for commercial vehicles, and Liu Nianxin, Chairman of Shenzhen Hongtao Decoration Co, both have a net worth of USD1.1 billion. Wu Qianghua, Chairman of Beijing eGOVA, a geographic information provider for the government, and Xie Zilong, Chairman of Laobaixing Pharmacy Chain JSC, also have fortunes exceeding USD1 billion. More than 50 billionaires have been created in China so far this year as markets surged.
- Almost 8 million new stock accounts were opened in the first quarter, up 433%, according to the China Securities Regulatory Commission (CSRC).
- Stocks soared on the Hong Kong exchange on reports the Shenzhen stock connect could start sooner than expected, as early as September. The Hang Seng Index closed up 1.96%, or 535.73 points, at 27,822.28 on May 15. The benchmark added 0.9% for the week.

TRAVEL

Maiden flight of C919 passenger plane delayed

The maiden flight of China's homegrown commercial jet, the Comac C919, is behind schedule and delivery could be pushed back as much as two years. The narrow-body aircraft, which will be able to carry 156 to 168 passengers and aims to compete with the Airbus A320 and Boeing 737, was originally scheduled to fly by the end of this year. Delivery of the first plane, scheduled for 2018, is also likely to slip, perhaps to as late as 2020. The final assembly of the first aircraft is taking longer than expected. So far the C919 has received 450 orders from 18 domestic and foreign clients.

- Shanghai residents will be able to put money on their Metro cards through NFC-enabled mobile phones via UnionPay by the end of June, ending the inconvenience of having to recharge them at subway stations or convenience stores. There are more than 50 million Metro cards in use. The iPhone 6, though equipped with the right chips, supports only NFC payments via Apple Pay and cannot be used under the new service.
- A replica of the Old Summer Palace in Beijing has been partially opened to the public in Zhejiang province. It was built by the film company Hengdian World Studios and is due to be fully opened to the public next year. Officials in charge of the ruins of the real Old Summer Palace are considering taking legal action against the project, alleging it infringes on intellectual property rights. The original palace, called Yuanmingyuan in Chinese, was built in the Qing dynasty (1644-1911) and was destroyed by British and French troops in 1860. The replica covers more than 400 hectares and has cost CNY30 billion.
- InterContinental Hotels Group plans to open 24 Hualuxe hotels in China, catering to discerning local tourists. The company launched its Hualuxe Hotels and Resorts brand in February 2012, and opened is first Hualuxe hotel – the 282-room Hualuxe Yangjiang City Center in Guangdong province in February. Its second 281-room hotel, Hualuxe Nanchang High Tech Zone, is to open within the next few weeks in Nanchang, the capital of Jiangxi province.
- China Southern Airlines has started imposing fees on economy class passengers who want to reserve seats on some international flights, joining Air China, China Eastern and Hainan Airlines. Fees of up to CNY600 will be charged for seats pre-selected up to two days before boarding. Hainan Airlines was the first to start charging for seat reservations in May 2013.
- Infinitus China, a direct-sales company, is sending 12,700 people on a holiday to Thailand. They will travel in groups of 2,000 to 3,000 at a time and will make a six-day trip to Bangkok and the nearby seaside town of Pattaya. One banquet at the Royal Cliff Hotel in Pattaya will seat 3,935 guests. The visit comes less than a week after France received 6,400 Chinese holiday makers from Tiens Group, that booked 4,760 rooms in 79 four-and five-star hotels.

VIP VISITS

Indian Prime Minister Modi visits China

Indian Prime Minister Narendra Modi started his China-visit in Xian, hometown of Chinese President Xi Jinping, who said it was the first time he had received a foreign leader there. Modi met Premier Li Keqiang in Beijing. India's Prime Minister agreed to link China's "One Belt, One Road Initiative" to India's "Act East" strategy. The world's two largest countries by population agreed to continue talks on border disputes and also discussed ways to tackle climate change. The two countries signed 26 deals – worth about USD22 billion – including agreements in areas such as renewable energy, ports, financing, industrial parks, aerospace, railways, tourism and education, as well as to open consulates in Chennai and Chengdu. The Indian Prime Minister also announced a liberal visa regime to attract Chinese business and tourist travelers. Chinese will be able to apply for an Indian electronic tourist visa, or e-visa, valid for 30 days.

- Chinese companies plan to sign aircraft, currency and agricultural deals during Premier Li Keqiang's visit to Latin America this week. Li will visit Brazil, Colombia, Peru and Chile on the May 17-29 trip, his first to Latin America. China and Chile will sign currency swap and yuan settlement agreements and discuss upgrades to their decade-old Free Trade Agreement (FTA). On his way to Brazil Premier Li transited through Shannon, Ireland, where he met Irish Prime Minister Enda Kenny.
- U.S. Secretary of State John Kerry urged China to halt increasingly assertive actions in the South China Sea during a meeting with Chinese Foreign Minister Wang Yi in Beijing. In response, Wang said at a joint press conference after their talks that China's resolve to safeguard its territorial integrity was “unshakable”, but the country was interested in dialogue on the matter. Chinese President Xi Jinxing told Kerry that the Pacific Ocean is “vast enough” for both powers.

ONE-LINE NEWS

- The Chinese government is seeking to expand legal cooperation with Hong Kong and Macao to strengthen its attempts to bring back mainland Chinese fugitives and stem corruption. Guo Xingwang, Director General of the International Cooperation Department at the Supreme People's Procuratorate, told 500 law enforcement officials from 60 jurisdictions and organizations at an international anti-graft symposium in Hong Kong that Chinese authorities were seeking to expand the scope of mutual legal assistance.
- China has declared a national holiday on September 3 as the country commemorates the 70th anniversary of Japan’s surrender at the end of World War II. A massive military parade will be held in Beijing on that day this year. It will be the first parade held to commemorate the victory.
- Chinese Premier Li Keqiang has urged telecom companies to increase average broadband connection speeds by at least 40% in urban areas. More than CNY1 trillion will be spend on the internet infrastructure this year. China was ranked 82nd globally in terms of average internet connection speed at the end of last year. Telecom carriers also announced new discounts.
- Chinese police departments have brought back 150 economic fugitives from 32 countries since the beginning of the year. Eight of the suspects had been on the run for more than 10 years, and 44 of them were involved in cases relating to tens of millions of yuan.
- Former Fujian Vice Governor Xu Gang is being investigated for corruption. He allegedly sought illicit personal gains by meddling in construction and real estate development in his five years on the job. He is the first high-level official from Fujian province – one of President Xi Jinping’s power bases – to become ensnared in the large-scale corruption crackdown.

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