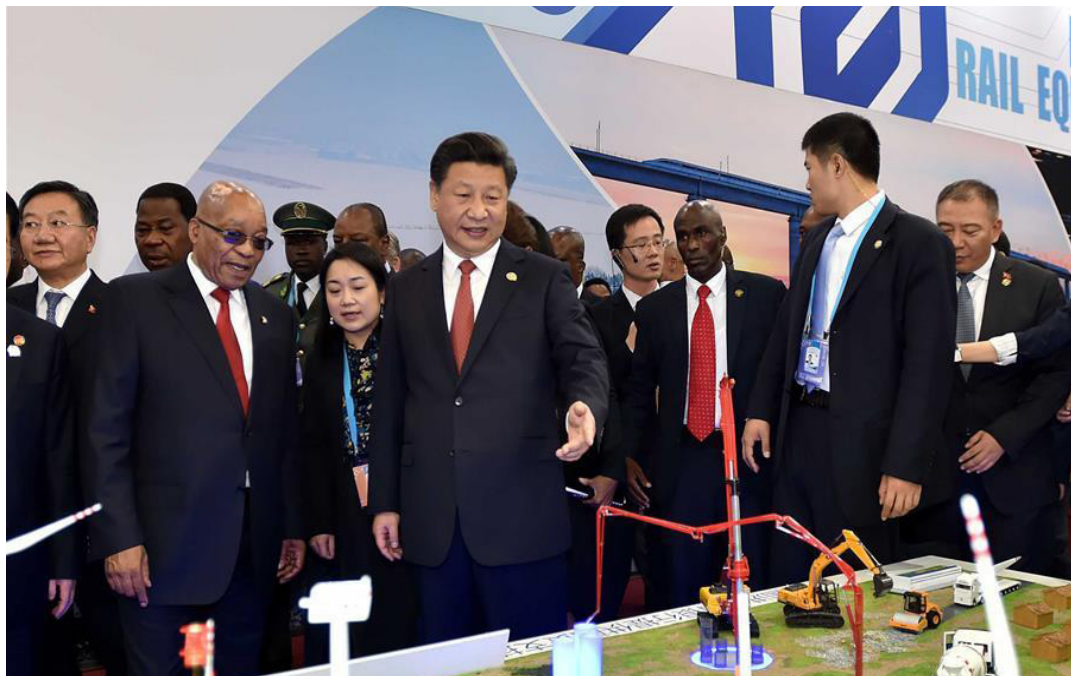


Xi's Africa tour enhances brotherhood



Chinese President Xi Jinping (2nd L, front) and South African President Jacob Zuma (1st L, front) visit China-Africa equipment manufacturing industry exhibition in Johannesburg, South Africa, Dec. 4, 2015.

A new chapter has been opened for China-Africa relations as General Secretary Xi Jinping of the Communist Party of China (CPC) Central Committee, also Chinese president, rounded off his five-day Africa tour that featured State visits to Zimbabwe and South Africa and co-chairing a landmark summit of the Forum on China-Africa Cooperation (FOCAC).

"President Xi's visit to Africa has done much to reaffirm and strengthen the links that have been forged between China and African nations," noted Eugene Clark, Dean of the Sydney City School of Law.

Brotherly friendship upgraded

At the opening ceremony of the Johannesburg Summit on Dec. 4, President Xi proposed that China and Africa lift their relations to a comprehensive strategic cooperative partnership and join hands to usher in a new era of win-win cooperation and common development.

With a theme of "Africa-China Progressing Together: Win-Win Cooperation for Common Development", the Johannesburg summit was widely lauded as yet another embodiment of the Asian nation's brotherly friendship with its African partners and commitment to common development.

In order to create tangible results, President Xi called for concerted efforts to strengthen the "five major pillars" and announced 10 major plans to boost bilateral cooperation.

The five "major pillars" are: political equality and mutual trust, win-win economic cooperation, mutually-enriching cultural exchanges, mutual assistance in security, and solidarity and coordination in international affairs.

The 10 major cooperation plans cover the areas of industrialization,

agricultural modernization, infrastructure construction, financial services, green development, trade and investment facilitation, poverty reduction and public welfare, public health, people-to-people exchanges, and peace and security.

To ensure smooth implementation, President Xi announced funding support of US\$60 billion, including a China-Africa production capacity cooperation fund with an initial capital of 10 billion dollars.

"In conducting China's relations with Africa, we adhere to the principles of sincerity, practical results, affinity and good faith and uphold the values of friendship, justice and shared interests," he said in his keynote speech.

The principles are also enshrined in China's second Africa policy paper, which was released during the summit.

It states that China and Africa "have always belonged to a community with a shared future" and "have always been good friends who stand together through thick and thin, good partners who share weal and woe, and good brothers who fully trust each other despite changes in the international landscape".

"The African continent now has some of the world's fastest growing economies and President Xi's visit and the growing presence of China in Africa will greatly enhance the continuing economic development of this part of the world," said Clark. "Given that African nations are among the fastest growing populations, this assistance and partnership at all levels is a good thing both for China and Africa."

In 2000, the trade volume between China and Africa stood at 10 billion dollars. Now, China has become the continent's largest trading partner, with two-way trade

volume expected to reach 300 billion dollars in 2015, according to the Ministry of Commerce in Beijing. Analysts predict China's investment in Africa will continue to rise.



Chinese President Xi Jinping (R) attends a welcoming ceremony held by his South African counterpart Jacob Zuma at the Union Buildings before their talks in Pretoria, South Africa, Dec. 2, 2015.

"Xi Jinping's visit highlights one of world's clearest examples that the concept 'win-win' is not merely warm words but a reality – both Africa and China have benefitted enormously from their relations," said John Ross, Senior Fellow of Chongyang Institute for Financial Studies, Renmin University of China.

Ties with Zimbabwe, South Africa lifted

President Xi's State visit to Zimbabwe from Dec. 1 to 2 fell on the 35th anniversary of the establishment of bilateral diplomatic relations and marked the first such visit by a Chinese president there since 1996.

China and Zimbabwe have a time-honored brotherly relationship that dates back to the Chinese provision of substantial assistance for the latter's struggle for national liberation and independence.

China and Zimbabwe, with their traditional friendship both having a long history and growing ever stronger now, are "real all-weather friends," said President Xi, adding that they should not only be good friends in the political sphere but also good partners in promoting development.

His visit to South Africa, the

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- **Top 10 major events in China-Africa relations in 2015**
- **China-aid projects become landmark in Africa**



Chinese President Xi Jinping (C) and his wife Peng Liyuan (2nd R front) visit a wildlife sanctuary in Harare on Dec. 2, 2015 morning before wrapping up a state visit to Zimbabwe.

Premier Li urges higher level of SCO cooperation

Chinese Premier Li Keqiang urged a higher level of cooperation between members of the Shanghai Cooperation Organization (SCO) at the 14th SCO prime ministers’ meeting held on Dec. 14-15, in Zhengzhou, capital of central China’s Henan Province.

In his third appearance at the SCO prime ministers’ meeting hosted by China, Premier Li reiterated the organization should focus on three traditional areas of security, economy and people-to-people exchanges, and establish six platforms for cooperation to seek pragmatic outcomes.

Pragmatic outcomes urged

The six platforms were security, connectivity, regional trade, production capacity, financial cooperation and cooperation on improving people’s well-being.

Compared with the annual gathering of SCO heads of state, the prime ministers’ meeting pays more attention to economic collaboration and pragmatic outcomes.

“Amid fragile global economic recovery and downward pressure on many economies, China expects this meeting will help countries match their development strategies, deepen international industrial capacity cooperation and exchange views on regional and international issues of mutual concern,” Li said.

In its 14 years, the SCO has seen the establishment of over 50 cooperative mechanisms at many levels in various fields, a multilateral economic and trade program and implementation plan, and a treaty on long-term good neighborly friendship and cooperation.

This year’s meeting deemed it necessary for SCO members to use existing achievements and institutions of economic cooperation to proceed from priorities of such fields as infrastructure construction and production investment to expand bilateral and multilateral cooperation in trade and economy, and to promote industrialization and modernization, according to a joint communiqué issued after the meeting.

It also called for member states to tap the transit potential of the region to speed up connectivity, vital to boost regional economic cooperation.

As Premier Li proposed, major railway and highway projects will be undertaken to establish a traffic network for Eurasia. He also proposed improving the efficiency of China-Europe train services, building an international logistics park in east China’s Lianyungang and beefing up cooperation in satellite navigation.

China injects vigor into SCO

Premier Li hailed the SCO as a model of good neighborliness and win-win cooperation. The joint communiqué highlighted support for China’s Silk Road Economic Belt initiative aligned with goals of development of the SCO.

Member countries of the SCO connect Asia with Europe. Their development and stability will not only have a close bearing on the interests and wellbeing of their own people, but also affect world peace and prosperity, Li said.

“The SCO member economies face downward pressure and are undergoing economic transformation. It is therefore particularly important to tap the cooperation potential of the organization, complement one another and strengthen multilateral cooperation,” said Chen Yurong, director of the Department for European-Central Asian Studies, China Institute of International Studies.

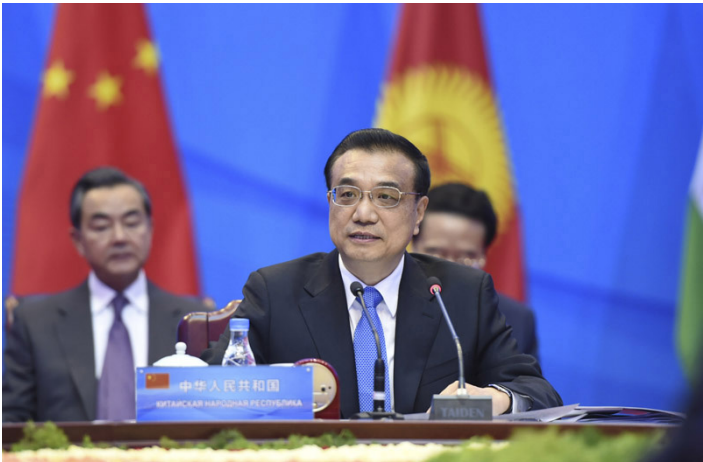
China intends to play a more active role in the regional group, in areas like improving financial cooperation mechanism and facilitating visa policies.

So far, it has provided a 27.1 billion dollar credit line to SCO members and launched the China-Eurasia Economic Cooperation Fund, which aims to support SCO members, observers and dialogue partners. The fund has already invested in its first group of projects.

Meanwhile, China is promoting the Asian Infrastructure Investment Bank (AIIB) and New Development Bank for the BRICS to support SCO members’ projects, and will consider the establishment of SCO development bank with related parties when the time is ripe, Li said.

The Chinese Premier also called for more convenient visa policies to promote tourism and personnel exchanges. He promised scholarships for 20,000 students from SCO members annually in the next five years and training for 2,000 people within three years.

The SCO, founded in 2001, currently has six members -- China, Russia, Kazakhstan, Tajikistan, Kyrgyzstan and Uzbekistan, with Afghanistan, India, Iran, Mongolia and Pakistan as observers and Belarus, Turkey and Sri Lanka as dialogue partners. India and Pakistan will be elevated to member status next year.



Chinese Premier Li Keqiang presides over the 14th SCO prime ministers’ meeting in Zhengzhou, capital of central China’s Henan Province, Dec. 15, 2015.

ACHIEVEMENTS of the 14th Shanghai Cooperation Organization prime ministers’ meeting

1

Attendants



Premier Li Keqiang



Russian Prime Minister Dmitry Medvedev



Kazakh Prime Minister Karim Masimov



Kyrgyz Prime Minister Temir Sariyev



Tajik Prime Minister Gohir Rasulzoda



First Deputy Prime Minister of Uzbekistan Rustam Azimov

2

Other participants



Leaders of the observing countries: Afghanistan Belarus India Iran Mongolia Pakistan

People in charge of the UN Economic and Social Commission for Asia and the Pacific (ESCAP)
People in charge of the Conference on Interaction and Confidence-Building Measures in Asia (CICA)

3

Premier Li's proposal

Build six cooperation platforms while keeping focus on the three traditional areas of cooperation, which are security, economy and people-to-people exchanges.



1.Cement security cooperation platform



2.Build production capacity cooperation platform



3.Speed up building of platform for connectivity cooperation



4.Innovate financial cooperation platform



5.Build platform for regional trade cooperation



6.Build platform for cooperation on social undertakings and people's well-being

The six cooperation platforms are in accordance with China's Silk Road Economic Belt proposal.

4

Joint announcements from the 14th Meeting of the Council of Heads of Governments (Prime Ministers) of the Shanghai Cooperation Organization Member States



Proposals:

Enhance multilateral cooperation in transportation, facilitate transportation; increase the scale and improve the quality of commodities and service trading; build good investment environment; develop production capacity cooperation; promote high-tech and financial cooperation.

Chinese Premier Li Keqiang (6th L, front) poses for a group photo with other participants of the 14th SCO prime ministers’ meeting in Zhengzhou, central China’s Henan Province, Dec. 15, 2015.

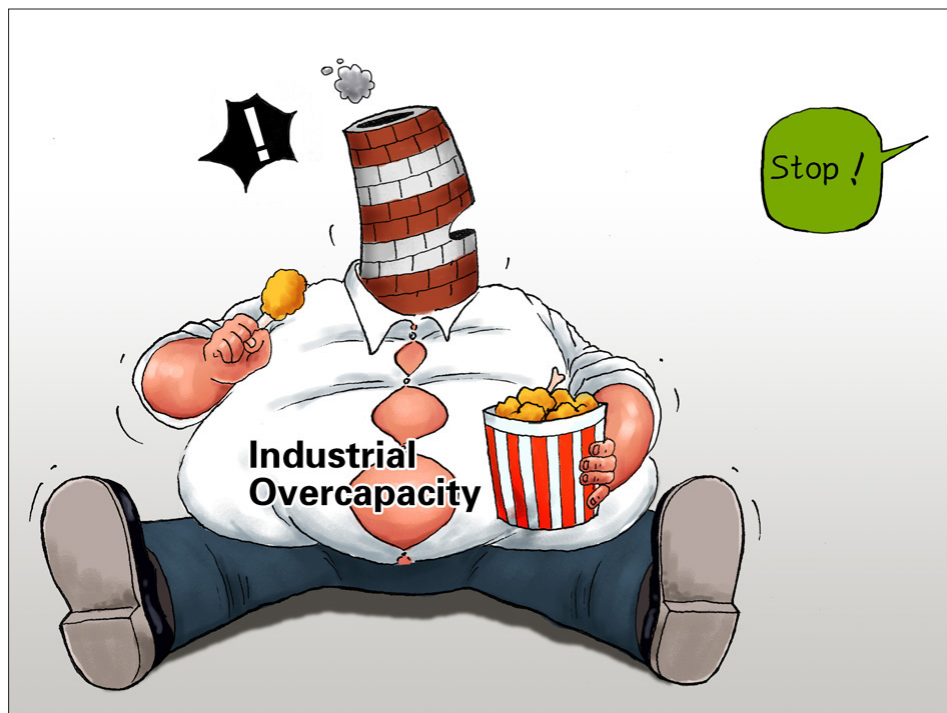
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Blueprint unveiled for 2016 at key annual meeting



China's top leadership announced an overarching strategy for the country's economic restructuring and development in 2016 after its key annual meeting on Dec. 21.

It vows to make fiscal policy more forceful and monetary policy more flexible to maintain growth within a proper range in 2016, with an emphasis on structural reform, according to a statement released after the Central Economic Work Conference.

The economy grew 6.9 percent in the third quarter of 2015, the weakest pace since the global financial crisis. However, the latest macroeconomic indicators, including November industrial production, retail sales and fixed asset investment, suggest stabilization has been achieved. The country is on track to meet the government's growth target of around 7 percent for the whole year.

"Fulfilling the major economic targets of 2015 will mark the smooth completion of the 12th Five-Year Plan (2011-2015) and allow the

country to develop on a higher platform," said the statement, adding that the economy had maintained medium-high growth in 2015, the economic structure was optimized and people's livelihood had improved.

China has already fulfilled its annual urban employment target, residents' income growth continued to outpace GDP, and the quality and efficiency of the economy improved.

China's growth model now has a better structure, with the service sector accounting for half of China's GDP and consumption contributing more than 60 percent of economic growth.

However, the country still faces a complicated international environment and great downward pressure in 2016.

Next year, China will continue to "keep economic growth in a proper range" and raise long-lasting growth impetus to pursue a sound beginning year for the 13th Five-Year Plan (2016-2020), according to the statement.

The current proactive fiscal policy needs to be more forceful by cutting taxes and raising the fiscal deficit ratio gradually; while the prudent monetary policy needs to be administered more flexibly to create appropriate conditions for structural reforms and lower financial costs.

Besides traditional fiscal and monetary measures, China has also devised a strategy aimed at spearheading the economic transition.

President Xi Jinping has said the country's emphasis next year would be on supply-side reform, or a package of supply-side policies to release new demand and boost new productivity.

According to economists, this means China will no longer seek to fuel economic growth solely by using fiscal and monetary measures to boost capital investment, consumption and exports. Instead, the focus will be more on devising policies which, from the supply side, are aimed at helping the industries it wants to support.

"Promoting supply-side structural reforms will be important as it means China can adapt to and guide the 'new normal'," said the statement.

China used to rely on three major forces to drive its economic growth -- investment, exports and consumption, which are all demand-side factors.

As the effectiveness of promoting growth in the demand side wanes, the government has decided to reform the supply side, or the supply and effective use of production factors, including funds, resources, skilled workforce, equipment and technologies.

The reform aims to accelerate economic growth by freeing up productivity and raising supply-side competitiveness. Measures will include cutting excess industrial capacity, reducing housing inventories and cutting production costs with policy support.

This is the first time top leaders raised supply-side reform as a guide for the future and for all restructuring efforts, said Ba Shusong, chief economist at the China Banking Association.

Qu Hongbin, chief China economist at HSBC Holdings, said China's supply-side reform is likely to continue through 2020, adding, "Urbanization, industrial upgrading, financial liberalization and green investment will be top priorities."

WIC concludes with calls for Internet governance

The Second World Internet Conference (WIC) closed on Dec. 18, with participants calling for further cyberspace development within a context of coordinated Internet governance.

More than 2,000 State leaders, government officials, entrepreneurs and experts from home and abroad participated in the three-day event in Wuzhen, east China's Zhejiang Province.

President Xi Jinping delivered a keynote speech at the opening ceremony in which he urged all countries to jointly build a community of shared future in cyberspace.

"Cyberspace is the common space of humankind. The future of cyberspace should be in the hands of all nations. Countries should step up communication, broaden consensus and deepen cooperation," he declared.

Xi put forward five proposals to achieve that end, in which establishment of a "multilateral, democratic, and transparent" global Internet governance system was specifically identified and applauded by many participants at the event.

"Based on the principle of mutual respect and mutual trust, the international community should increase dialogue and cooperation, reform global Internet governance, and make cyberspace a peaceful, secure and open place."

The Internet should not be a place to promote rivalry among different countries or a seed bed of crime, and the international community needs to work together to combat terrorism, drug trafficking and money laundering, Xi said.

"We should respect the rights of netizens in exchanging ideas and in expression, but should also build good cyberspace order that accords with the law to benefit and protect the rights of all netizens."

Xi's words were echoed by Jack Ma, founder and CEO of the Alibaba Group, who said that "it will be too late when problems have



occurred". The Zhejiang-based company rolled out e-commerce platform Taobao and e-payment tool Alipay in 2003 and 2004.

"The Internet has turned human beings into a community with a shared future. If we don't have systematic governance on the development of the Internet, it will pose a challenge to all human beings," he said at the closing ceremony. All concerned countries should work together to govern cyberspace, although they may be divided over best management way, he said.

China has become a major victim of international cybercrimes. The latest PricewaterhouseCoopers (PwC) Global State of Information Security Survey shows that the average number of detected security incidents in the Chinese mainland and Hong Kong surged 517 percent to 1,245 over the last 12 months.

Xi also called for efforts to speed up the building of global cyber infrastructure, the establishment of an online platform for cultural exchanges and mutual learning, the innovative development of cyber economy and more measures to maintain cyber security.

China now has over 670 million cyber citizens with more than 4.13 million websites operating. According to the Cyberspace Administration of China, 30 billion pieces of information are created every day. The country has more than 250 million subscribers connected to the 4G networks. In the first 10 months of 2015, China's network retail sales reached 2.95 trillion yuan, the largest in the world.

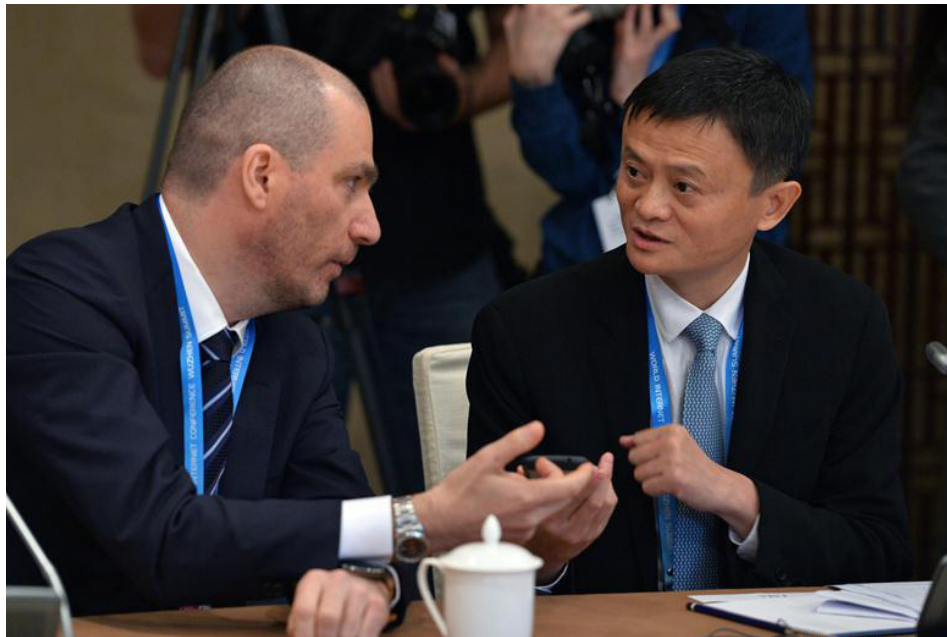
Innovation in the Internet era

Xi also called for promoting innovation-driven development by utilizing important opportunities brought by the Internet.

The President made the remarks while visiting the "Light of the Internet" expo held during the WIC, displaying the latest Internet technologies and products in China and abroad.

As one of the greatest inventions of the 20th century, the Internet has brought huge changes to people's work and life and promoted innovation and development in many fields, Xi said.

Businesses should be encouraged to use the Internet to transform their model of development and make innovations in technology, service and business model, he added.



Founder of China's Alibaba Group Jack Ma (R) communicates with CEO of Yota Devices Vladislav Martynov at a round-table discussion of Chinese and Russian enterprises in Wuzhen, east China's Zhejiang Province, Dec. 16, 2015.

A Party head with a strong sense of duty



Xiong Zhengyu (3rd R) chats with a vegetable peddler in Jiayu County in March 2015.

On the eve of the 94th anniversary of the founding of the Communist Party of China (CPC), July 1, the CPC Central Committee's Organization Department unveiled a list of outstanding county-level Party secretaries.

Xiong Zhengyu, Party head of Jiayu County in central China's Hubei Province, was among the 102 honored.

Xiong had worked in many counties in Hubei Province before taking office in Jiayu. In his early career, he met several challenges posed by major natural disasters.

In 2008, a series of heavy winter storms hit Tongshan County, where Xiong was working as the deputy Party head. The storms damaged a major power cable transmitting power from the Three Gorges Project to the populous eastern region. To ensure people's life and production were both unaffected there, Xiong worked with some 3,000 soldiers, workers and local residents day and night and managed to repair it in one month.

In March 2011, Xiong was transferred to the Party committee in Tongcheng County. Months later, he came across a devastating flood that killed 25 people and forced more than 127,500 people to leave their homes in Hubei Province. Once again, Xiong worked overtime for three months, sleeping less than four hours a day on average, and finally rebuilt more than 2,000 flood-damaged buildings.

I gained precious experience from handling these disasters, Xiong said. After these events, I can remain calm and cool-headed with whatever challenge I meet.

In October 2011, Xiong was appointed as the Party head of Jiayu County. There he encountered a huge challenge in promoting the local economy when the entire nation was suffering from downward economic pressure.

After studying the general environment and the central authorities policies, Xiong decided to cooperate with Jinsheng LAN Metallurgy, a

private steel producer, to build a steel factory in Jiayu.

At that time, the steel industry was widely regarded as one with excess production capacity. Many people thought the project was against the trend and had no development potential. However, Xiong was confident of his judgment and fought through opposition to launch it.

The factory became a huge success months later, as the State Council issued a document to encourage industries with excess production capacity to shut down outdated facilities and integrate scattered resources. The factory built in Jiayu met all of these demands.

By opening a new factory in Jiayu, the steel producer was able to close small plants scattered all over the country and apply cutting-edge technology at the new facility. The local economy also benefitted a lot from the project. Currently, it is one of the largest ongoing industrial projects in Hubei Province. Upon completion, it will yield an annual output of 20 billion yuan (US\$3.09 billion), pay 1 billion yuan (US\$154.3 million) in tax every year to the government, and create about 5,000 jobs.

Another challenge Xiong met in Jiayu was improving local transportation conditions. Jiayu is located on the south bank of the Yangtze River and close to the provincial capital of Wuhan. However, the county used to suffer great traffic inconvenience. Before Xiong took office, it was one of the only six counties in Hubei without expressways.

Xiong had worked in a transportation department before he became a Party official, so he knew how important transportation is to economic development. As soon as he arrived in Jiayu, he identified the improvement of transportation facilities as his main goal. Thanks to his dedicated efforts, by July 2015, four multi-lane highways were open to traffic, two expressways were near completion, a

Getting to Know **CHINA** through **KEYWORDS**

The "Three Areas of Confidence":

It refers to confidence in the path, theories and system of socialism with Chinese characteristics.

[More>>](#)

"Four forms of decadence":

Currently, the CPC faces "four forms of decadence" in its ranks – formalism, bureaucratism, hedonism, and extravagance.

[More>>](#)

Major events in December

Dec. 4: 138,867 officials punished in 3-year frugality campaign

Keywords: frugality, corruption

A total of 138,867 officials had been punished for violating austerity rules since late 2012, China's top anti-graft body announced.

Dec. 7: Blueprint on fight against poverty released

Keyword: poverty

China's leadership pledged measures to help lift the country's remaining 70 million poor out of poverty by 2020.

Dec. 11: China, Azerbaijan sign deals on Silk Road cooperation

Keywords: China, Azerbaijan

China and Azerbaijan signed a memorandum of understanding on construction of the Silk Road Economic Belt.

Dec. 15: China, UAE pledge to boost Belt and Road cooperation

Keywords: Xi Jinping, UAE, Belt and Road Initiative

President Xi Jinping met with the crown prince of Abu Dhabi of the United Arab Emirates and they pledged to boost bilateral cooperation.

Dec. 25: AIIB formally established in Beijing

Keyword: AIIB

The Asian Infrastructure Investment Bank, a complement to existing international financial system, was formally established in Beijing and expected to start operation early next year.

bridge over the Yangtze River was about to be built, two ports capable of handling ships over 10,000 tons were in trial operation, and another two ports with similar capacity were under construction. All of these became a great boon to local development.

A county usually has tens of thousands of residents, but there is only one Party secretary, Xiong said. "The Party and the people have placed such high hopes on me, and I must live up to their expectations."