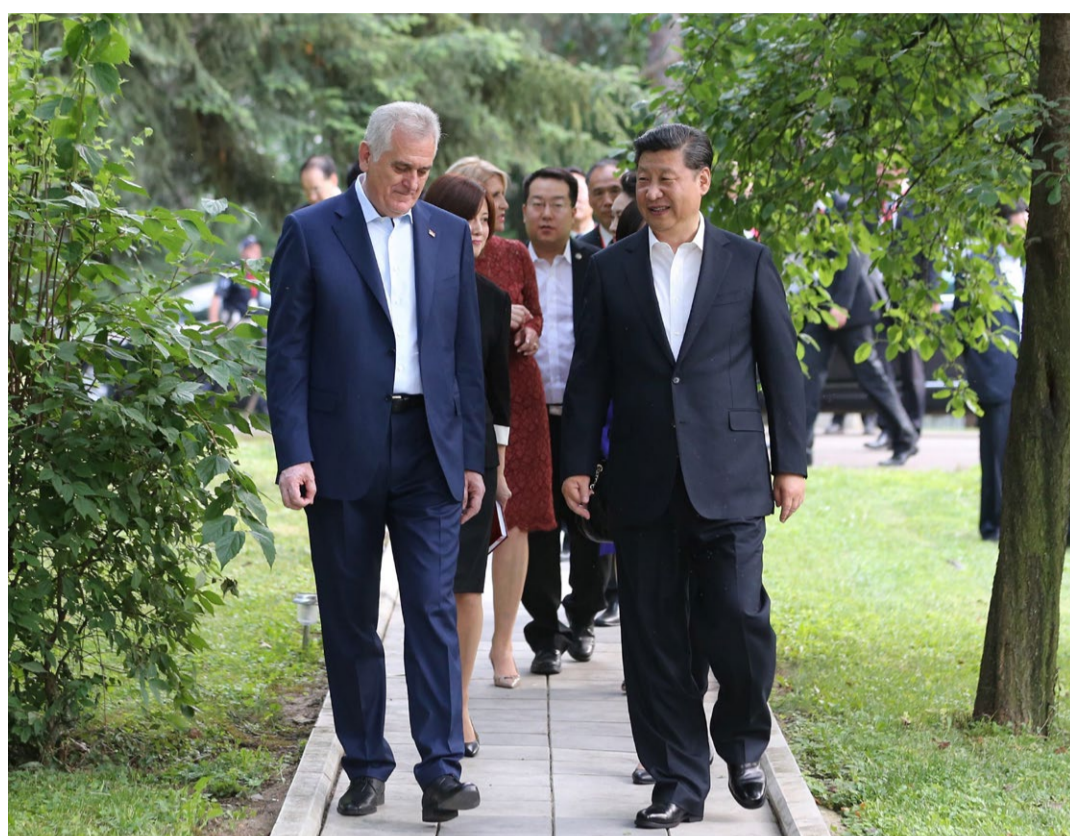


Xi's Eurasia tour highlights China initiative



Chinese President Xi Jinping (R) talks with Serbian President Tomislav Nikolic in Belgrade, Serbia, June 17.

From June 17 to 22, General Secretary Xi Jinping of the Central Committee of the Communist Party of China (CPC), also Chinese president, visited three countries in two important regions, Serbia and Poland in Central and Eastern Europe (CEE) and Uzbekistan in Central Asia, cementing a time-tested friendship between China and those countries and charting a new era of win-win cooperation within the framework of the Belt and Road Initiative.

Although President Xi Jinping had many issues on the agenda during this latest overseas trip, his first priority was to advance the building of the Silk Road Economic Belt and the 21st-Century Maritime Silk Road. The Belt and Road Initiative dominated the interaction between Xi and his hosts in Serbia and Poland as well as Uzbekistan.

Both CEE and Central Asia are essential components of China's Belt and Road Initiative, which was proposed by Xi in 2013 to promote common prosperity across more than 60 countries along their routes in Asia, Africa and Europe through greater policy and infrastructure interconnectivity. In the meantime, CEE and Central Asian nations have a strong desire to cooperate with China for their own development. Serbia, Poland and Uzbekistan were among the first to respond to this initiative.

President Xi also attended the annual summit of the Shanghai Cooperation Organization (SCO) held in the Uzbek capital of Tashkent from June 23 to 24.

Upgrading bilateral relations

Serbia is the first leg of Xi's three-nation tour. It is the first state visit by a Chinese head of state to the country in 32 years.

During the visit, China and Serbia upgraded their ties to a comprehensive strategic partnership and signed a slew of cooperation deals covering industrial capacity, finance, infrastructure, trade, energy, telecommunications, science

and technology, and culture and tourism that injected fresh vigor into the China-Serbia traditional friendship and will bring greater tangible benefits to both sides.

Serbian President Tomislav Nikolic also decorated Xi with the Order of Republic of Serbia to extend gratitude to the Chinese president for his outstanding contributions to advancing bilateral ties.

In 2009, Serbia became the first CEE country to establish a strategic partnership with China.

Poland, one of the first countries that recognized and established diplomatic ties with the People's Republic of China, is the second stop on Xi's Eurasia tour. It is the first state visit by a Chinese head of state in 12 years.

After talks between Xi and his Polish counterpart Andrzej Duda, the two countries decided to lift their ties to a comprehensive strategic partnership, showing a shared commitment to further growing bilateral cooperation and expanding exchange in various fields and levels.

Following three-hour-long talks in Tashkent on June 22, Xi and his Uzbek counterpart Islam Karimov signed a joint statement to elevate China-Uzbekistan relations to a comprehensive strategic partnership, outlining cooperation plans in the areas of political mutual trust and support, national and regional security, people-to-people exchange, and bilateral collaboration on international affairs.

Dovetailing development strategies

Serbia, Poland, and Uzbekistan were among the first countries to respond to China's Belt and Road Initiative.

To realize common development and prosperity, Serbia and China pledged to jointly promote the Belt and Road Initiative, seek synergy between Serbia's national development strategy and the initiative, and align Serbia's development with the cooperation

国际论坛暨中波地方与经贸合作论坛 and Poland-China Regional Cooperation & Business Forum

Warszawa, Polska 2016年6月20日 波兰·华沙 June 20, 2016 Warsaw, P



Chinese President Xi Jinping delivers a speech at the opening ceremony of the Silk Road Forum and Poland-China Regional Cooperation and Business Forum in Warsaw, Poland, June 20.

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Chinese President Xi Jinping (C, front) and his wife Peng Liyuan visit a carpet and silk workshop in the old city of Bukhara as accompanied by Uzbek Prime Minister Shavkat Mirziyoyev, in Bukhara, Uzbekistan, June 21.

between China, Central and Eastern European countries.

Located in the heart of Europe, Poland sees nearly all of the regular China-Europe freight trains, passing through the country before reaching the rest of Europe.

Xi reached agreements with Duda on promoting economic ties within China's Belt and Road and Poland's Amber Road frameworks, as the two countries seek new markets and frontiers for their development strategies.

While addressing the Uzbek Parliament, Xi invited Uzbekistan and other countries to jointly carry forward the Belt and Road Initiative in both breadth and depth, calling for building a "green, healthy, intelligent and peaceful" Silk Road.

"The old Silk Road allowed Europeans to get to know the Chinese civilization, but without contact with its creators. The new Silk Road enables not only the exchange of goods, but also facilitates interpersonal relations. It will allow us not only to learn what we look like, but also how we think. It will help us to get to know each other, understand each other and become friends," said Piotr Gadzinowski, a former member of the Polish Parliament.

China's trade with countries participating in the Belt and Road Initiative surpassed 1 trillion U.S. dollars in 2015, accounting for a quarter of its total foreign trade.

Cementing regional cooperation

"Chinese President Xi Jinping's visits (to Serbia and Poland) cannot be described as an isolated event but must be placed in the context of a systematic effort to forge China's relations with CEE. Xi, for instance, visited the Czech Republic in April 2016 while leaders of several CEE countries had already visited Beijing a few months ago," analyzed George N. Tzogopoulos, a lecturer at the European Institute in Nice.

The cooperation agreements Xi and Duda inked could effectively

link the China initiated Belt and Road with Poland's Amber Road, bringing China closer to the doorsteps of Europe.

Duda even pledged that his country can "become the image ambassador of the Belt and Road Initiative in Europe."

At the Silk Road Forum and Poland-China Regional Cooperation and Business Forum, Xi called for a closer synergy of the China-CEE cooperation mechanism and the development of the Belt and Road, in a bid to forge lasting and practical China-CEE cooperation.

The China-CEE cooperation, in alignment with major initiatives by the European Union (EU), prompts the development of China-EU comprehensive strategic partnership.

Both full members of the SCO, China and Uzbekistan vowed to resolutely crack down on "the three evil forces" of terrorism, separatism and extremism after Xi's visit, which will contribute to regional security and stability.

"China sees in Uzbekistan a reliable and supportive partner, and wishes to underpin the political relationship with solid and mutually beneficial economic links; Uzbekistan, without prejudice to her existing security commitments, clearly sees China as her key partner in the revival and underpinning of her own economic development and integration into the regional economic structure," noted Tim Collard, a columnist with China.org.cn.

Speaking at the 16th SCO Council of Heads of State meeting in Tashkent, Xi put forward a five-point proposal for the regional organization to consolidate unity and mutual trust, and deepen comprehensive cooperation.

The SCO summit decided to raise the regional cooperation to a qualitatively new level characterized by increased efficiency of cooperation in the spheres of politics, security, economy, and the development of cultural and humanitarian ties.

China underpins S&T ambition

China is pegging its future prosperity on growth momentum generated from innovation and enhancement of overall strength in science and technology (S&T), according to remarks made by General Secretary Xi Jinping of the Central Committee of the Communist Party of China (CPC) at a major conference on science and technology in Beijing on May 30.

It was staged by the Chinese Academy of Sciences, the Chinese Academy of Engineering and the China Association for Science and Technology.

China should establish itself as one of the most innovative countries in the world by 2020 and as a leading innovator by 2030 before realizing the objective of becoming a global leader in S&T by the centenary anniversary of the founding of the People's Republic of China in 2049, Xi said, reiterating the country's three-step strategy for innovation-driven development, which was unveiled earlier this month.

Timely innovation imperative

Innovation was one of the conference's key words. Going against the Western stereotype of a hard-working and uncreative "factory for the world" that churns out mounds of low-quality goods, China is now closing the innovation gap.

The country's R&D spending, second only to the United States, has grown by more than 11 percent annually during the past three years.

Yet "the situation, in which our country is under the control of others in core technologies in key fields, has not fundamentally changed, and the country's S&T foundation remains weak," Xi said.

"We could be thrown into an unfavorable situation and miss opportunities for development — or miss an entire era — if we failed to recognize changes, respond to changes and innovatively seek changes," he warned.

In the process of advancing the supply-side structural reform and implementing the tasks of cutting overcapacity and excess inventory, deleveraging, reducing costs and addressing points of weakness, more advances in innovation are needed, he stressed.

More power for scientists

"Scientists should be allowed to freely explore and test the bold hypotheses they put forward," Xi told the attendees.

He called for a sound environment for S&T personnel and promised to grant leading scientists more power and liberty to decide the direction of their research and greater management of research funds and resources.

Scientists should not be rushed for the sake of "making progress" and constrained by rigid systems, he said.



The promise of technology

He encouraged scientists and technicians to respond to the country's major strategic demands, to strive to advance research in core technologies and to move up to the world's scientific and technological "high ground."

"Core technologies and cutting-edge industries are important in creating new engines for economic growth," noted Zhang Jingwei, a researcher with the Charhar Institute.

China has 81 million science and technology workers, who are known as the "backbone" of the country's innovation-driven development strategy.

Management reform

Stressing reform of S&T management, Xi said that the government will try to form an energetic science management and operation mechanism through deepening reform and innovation while continuing to better allocate resources and evaluate research findings.

He also called for strengthened consultation for decision making and high-level S&T think-tanks.

The country will provide more support for tech companies, especially small and medium firms, and reorganize research institutes and universities, Xi said, adding that the country also plans to create a few cities or regional centers that are attractive to outstanding innovation industries.

Xi also said that intellectual property rights must be better protected, and a distribution policy whereby knowledge has greater value should be implemented.

He also urged academicians to help raise the scientific literacy of the whole society in order to release the creativity of 1.3 billion Chinese.

More budget support

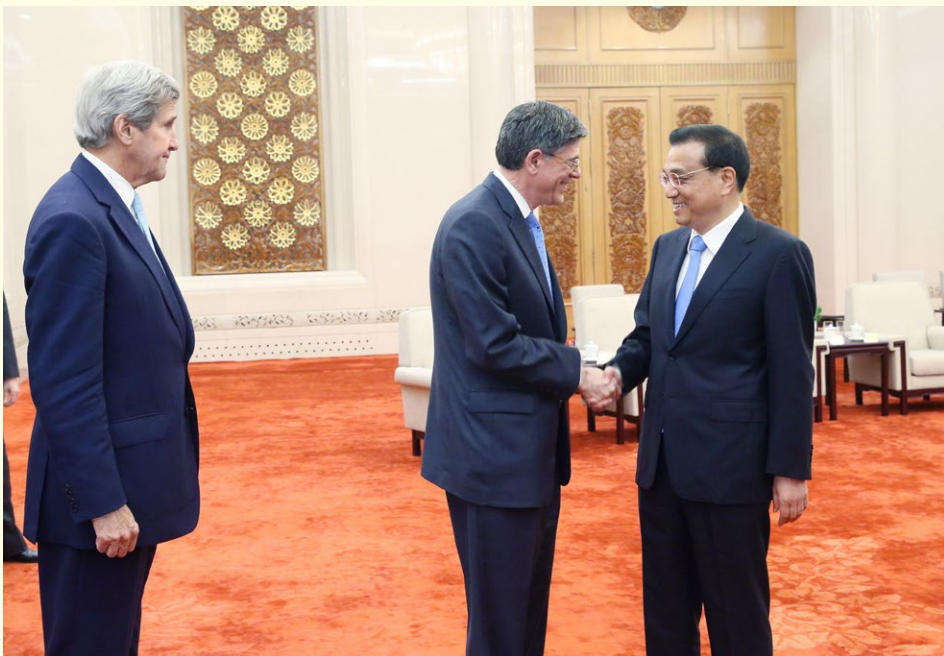
To bolster S&T innovation, the Chinese government will simplify budgeting for research projects, increase incentives for researchers and relax the management of equipment purchases, according to a statement released on May 31 after an executive meeting of the State Council.

Unnecessary administrative barriers for universities and research institutions will be removed so as to better stimulate the enthusiasm of academics.

Universities and research institutions will also be given more freedom in purchasing equipment for research purposes and enjoy preferential treatment in land use.

By nurturing the mechanism for promoting innovation, letting the market play a larger role and combining research with industrial demand, China will be able to find new growth momentum to fuel future growth, said Wang Yiming, deputy director of the Development Research Center of the State Council.

China-US dialogue achieves significant outcome



Chinese Premier Li Keqiang (R) meets with U.S. Secretary of State John Kerry (L) and Treasury Secretary Jacob Lew, who are in Beijing to attend the eighth round of China-U.S. Strategic and Economic Dialogues and the seventh round of China-U.S. High-Level Consultation on People-to-People Exchange, June 7.

The eighth China-U.S. Strategic and Economic Dialogue (S&ED) was held in Beijing on June 6 and 7. More than 180 concrete achievements were achieved within the two tracks, including more than 60 outcomes in the economic track and 120 outcomes in the strategic track. The dialogue, held annually among high-level officials of the world's two largest economies, has made significant achievements despite a number of long-standing differences that remain to be resolved.

Economic achievements

The economic dialogue was hosted by Chinese Vice Premier Wang Yang and U.S.

Secretary of the Treasury Jacob Lew. The two sides exchanged views in key economic issues including strengthening economic policy cooperation, promoting open trade and investment, fostering financial stability and reform, and enhancing global cooperation and economic governance.

One of the issues is the ongoing Bilateral Investment Treaty (BIT) negotiations. The BIT has been under consultation since 2008 and has gone through more than 20 rounds of negotiations. During the dialogue, the two sides agreed to further promote the BIT, including exchange improved "negative lists" offers by mid-June.

China also pledged to continue market-oriented exchange rate reforms, allowing for two-way flexibility of the RMB. It reaffirmed its commitments to avoid competitive devaluation and not target the exchange rate for competitive purposes.

As the U.S. is concerned over China's steel overcapacity, China has restated its commitment to adopt measures to strictly contain steel capacity expansion, reduce net steel capacity, eliminate outdated steel capacity, and urge the exit of steel production capacity that falls short of environmental, energy, quality or safety standards.

Additionally, with the G20 Hangzhou Summit approaching, the two economies also expressed their commitment to working closely to promote strong, sustainable and balanced growth of the global economy.

Strategic achievements

Among the 120 strategic outcomes, China and the U.S. have emphasized their commitment to the following issues, the denuclearization of the Korean Peninsula, implementation of the global climate agreement, cooperation on strategic security issues, strengthening global health security, protecting the ocean, enhancing global nuclear security, address growing global humanitarian needs and enhancing disaster response capacity, deepening cooperation on food security and sustainable development, and combating international bribery and promoting responsible mineral supply chain practices.

The dialogue was held amidst the controversy over the South China Sea and other issues. Speaking at the opening ceremony of the dialogue, Chinese President Xi Jinping urged China and the United States to enhance mutual trust and make concerted efforts to manage differences and handle sensitive issues. He called for the two countries to intensify efforts to manage conflict and avoid strategic misjudgment.



Guo Kai: From migrant worker to model worker

Guo Kai is a wheel loader driver in Qingdao City of east China's Shandong Province. He gained national fame after appearing in two TV shows in August last year and January this year.

In them, he successfully used an igniter tied to the bottom of a 30-ton wheel loader to ignite fireworks hung seven meters above ground. He also created a Guinness world record by using a wheel loader to open 30 beer bottles in one minute.

It seems Guo has a special talent for operating the huge machine, but this talent isn't a gift from heaven. Behind the stunning skills are dedication, perseverance and hard work.

Guo was born in 1985 in a rural area of Shandong Province. His father fell ill when he was 16. To make ends meet, he gave up school and left home to find work in big cities.

Sadly, although he worked 13 to 14 hours every day, he earned little because of lack of education and professional skills, making him feel very discouraged.

His life changed in 2004, however, when he read a story in a newspaper about Xu Zhenchao, a model worker in the Qingdao Port who turned his blue-collar post into an outstanding performance. The story renewed Guo's ambitions for success.

In 2005, Guo became a wheel loader driver at Qingdao Port, responsible for loading and unloading ore from ships. To get familiar with operating the clumsy machine, he practiced more than 10,000 times during his daily work, and then used chopsticks to continue practice at home by night. In less than six months, he managed to develop excellent operating skills to produce a seven or eightfold increase in normal work efficiency.

To enhance his skill, Guo designed a game of opening beer bottles with wheel loader. The game required precise control of the machine in terms of direction, speed and power. Eventually, he was invited by state-owned China Central



Guo Kai maintains his wheel loader.

Television to show his talent, creating a Guinness record of the most beer bottles opened with a wheel loader in one minute.

As Guo became increasingly adept, he turned his focus to other links in the chain of work. He invented a mechanism that could save fuel worth 280,000 yuan (US\$42,616) and cut down carbon dioxide emissions by nearly 1,000 tons per loader every year. He also invented a set of lubrication check devices that could save more than 300,000 yuan (US\$45,660) in lubricant expenditure every year. Besides, he cooperated with co-worker Qiao Lun to produce more than 60 inventions that gained five state-level patents. All of these inventions are widely used in the Qingdao Port now.

Due to his outstanding performance, Guo was promoted to team leader in 2007 and became a member of the Communist Party of China (CPC) in 2009. His personal life also improved. With his increased salary he was able to afford treatment that cured his father's chronic illness, and he managed to buy an apartment of more than 130 square meters in Qingdao City.

Guo didn't keep the secrets of his success only to himself, however. In recent years, he has trained around 100 apprentices. To fire the young people's enthusiasm, he even created a 3D animation for teaching and learning along with his co-workers.

Such dedicated efforts have earned Guo many accolades. Over the past few years, he has been awarded more than 30 honorary titles, including Best Young Worker of China and Most Skillful Young Worker in China. What's more, he was nominated as a candidate for the title of National Outstanding Party Member in May. The result will be announced later this year during the celebration of the 95th anniversary of the founding of the CPC.

"As long as you are willing to work hard, common people can also attain uncommon results," Guo said when reviewing his remarkable achievements.

"As long as you are willing to work hard, common people can also attain uncommon results."
— Guo Kai



Guo Kai displays his Guinness world record certificate in front of his wheel loader.

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

A new model of international relations:

On September 28, 2015, President Xi Jinping elaborated to an international audience his concept of building a new model of international relations based on cooperation for the benefit of all, at the UN Headquarters.

[More>>](#)

Innovation-driven development:

As one of the five concepts for development put forward by China's leadership, innovation-driven development focuses on what drives China's development.

[More>>](#)

Major events in June

June 14: China meets goals of human rights plan

Keywords: human rights

All targets and tasks set by the National Human Rights Action Plan (2012-2015) have been fulfilled on schedule, reveals a report released by China's State Council Information Office.

China, Germany pledge stronger cooperation

Keywords: Germany, Merkel

China and Germany pledged stronger cooperation in the fourth round of intergovernmental consultation held during Chancellor Angela Merkel's China visit.

June 25: China launches new generation carrier rocket

Keywords: Long March-7, rocket

China successfully blasted off its new generation carrier rocket Long March-7 from a new space launch center in Wenchang, Hainan Province.

June 26 -28: Summer Davos held in Tianjin

Keywords: Summer Davos, Li Keqiang, Tianjin

The Annual Meeting of the New Champions 2016, also known as the Summer Davos Forum, was held in Tianjin.

Understand China's future through its reform history

China's reform and opening-up, which started more than 30 years ago, has changed the face of China and put the old civilization on a path of rapid development. This part of China's history is important for those who wish to understand China, and moreover, it represents a means to foresee China's future.

The book, "Interpreting China's Reform and Opening Up," offers a concise introduction to the causes and effects of China's reform and opening up, especially regarding why China embarked on the reform and opening up policy in the late 1970s, and how it related to the country's previous history.

The author Zhang Baijia is researcher and deputy director of the Party History Research Center of the Central Committee of the Communist Party of China (CPC). He is also a professor at the prestigious Peking University and Renmin University of China, and a member of the Academic Committee of the Institute of Modern History at the Chinese Academy of Social Sciences (CASS).

Zhang has previously researched the history of the CPC, as well as China's modern history and diplomatic history. Now, his focus is on the history of reform and opening-up. His previous works include "Discussion on the Chongqing Negotiation," "The Cold War and China," and "30 Years of China's Reform and Opening Up."

Zhang's academic background, experiences and current research has made him capable of interpreting why and how the CPC and the Chinese people chose to embark on the road of reform and opening up while sticking to socialism with Chinese characteristics.

While China's reform and opening-up has now reached a crucial stage, a better understanding of China from this perspective will be helpful to those who wish to know more about the Chinese dream and how China will make further contributions to world peace and development.

The book, published by Foreign Language Press (FLP), is available in both Chinese and English.

