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CHINA DAILY

中國日報

chinadaily.com.cn RMB ¥2

FRIDAY, May 19, 2017

Guideline for conduct pact OK'd

Beijing, ASEAN affirm framework for behavior in South China Sea

By LI XIAOKUN in Guiyang and MO JINGXI in Beijing

China and ASEAN countries on Thursday approved a draft framework of the South China Sea Code of Conduct, marking a milestone in peacefully resolving the South China Sea issue.

The 14th Senior Officials' Meeting on the Implementation of the Declaration on the Conduct of Parties in the South China Sea, held in Guiyang, capital of Guizhou province, approved the draft.

All parties have agreed to manage and control their differences under the framework of regional regulations, the Foreign Ministry said in a news release.

China and ASEAN member states spoke highly of the significance of the approval of the code of conduct framework draft, saying it is "an important interim achievement in the entire negotiation of the COC", according to the news release.

The meeting was co-chaired by Vice-Foreign

Minister Liu Zhenmin and Permanent Secretary of Singapore's Foreign Ministry Chee Wee Kiong.

China and ASEAN countries signed the declaration in 2002. They started to work on the COC in 2013.

Liu said at a news conference after the meeting that the framework takes care of the interests of all parties and has provided "a flexible political environment" for the next phase of consultation on the COC.

All countries involved have agreed not to release the framework document, but to maintain it as an internal document at this time since the consultation will continue and they do not want any external interference, Liu said.

"Against the backdrop of economic globalization, China and ASEAN countries should continue making our regional rules to guide our own actions and protect our common interests," Liu said.

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A ringing endorsement of museums



A guide at the Nanjing Museum tells visitors about a set of bronze bells that was made in the Spring and Autumn Period (770-476 BC) on Thursday, this year's International Museum Day. SU YANG / FOR CHINA DAILY See story on page 3

Chinese investment in US may slow

By ZHAO HUANXIN in Washington huanxinzhao@chinadailyusa.com

Foreign direct investment flow between the world's two largest economies may be lower in 2017 than last year as a result of an expected slowdown in Chinese flows to the United States, according to a report released in Washington on Wednesday.

The forecast change comes after their two-way FDI reached a record high of \$60

billion in 2016. But there is "huge room" for expanding FDI flow in both directions, said the annual report jointly prepared by the National Committee on US-China Relations and the Rhodium Group.

In 2016, Chinese FDI in the United States tripled from the previous year to \$46 billion; US FDI in China, by contrast, reached \$13.8 billion, roughly the same as in 2015, the report said. This year, according to the report, the two-way FDI is unlikely to reach the same lev-

\$46 billion

Chinese FDI in the United States in 2016

els as last year.

"Our best guess is a moderate increase in US flows to China, but a notable moderation in the other direction due to Chinese capital controls and other short-term factors," wrote Thilo Hanemann, Dan-

iel Rosen and Cassie Gao, co-authors of Two-Way Street: 2017 Update US-China Direct Investment Trends.

The lion's share of the two-way FDI was in real estate, followed by consumer products and services, information and communications technology, transportation and infrastructure, it said.

Between 1990 and 2016, the cumulative value of US FDI transactions in China exceeded \$240 billion, while Chinese

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Xi backs spread of nation's tea culture

By XINHUA and CHINA DAILY

Chinese President Xi Jinping sent a congratulatory letter on Thursday to the opening ceremony of the First China International Tea Expo in Hangzhou, Zhejiang province.

Tea has been an important part of Chinese people's lives and a cherished symbol of Chinese culture, Xi said.

From the ancient Silk Road and other trade routes that saw the flow of tea on horses and ships to today's Silk Road Economic Belt and the 21st Century Maritime Silk Road, "tea has transcended time and crossed borders to win the affection of people from across the world," he added.

Xi said he hopes the expo will give exposure to Chinese tea culture and grow into an important platform for exchanges and cooperation between China and the rest of the world, according to the letter.

Tea has transcended time and crossed borders to win the affection of people from across the world."

President Xi Jinping

The expo runs from Thursday to Sunday. More than 800 tea makers who registered are showcasing their latest tea products. Quite a few participating enterprises have come from overseas, representing 13 countries.

"We sell 2,000 to 3,000 tons of tea to China each year, which does not satisfy us at all. We came to this expo to further promote our new products," said Le Hai Zhou, vice-general manager of Vietnam National Tea Corp.

Zhou was upbeat, saying he thinks that under the Belt and Road Initiative, more favorable trade policies will be granted. He said the company had already reached some initial agreements with China's dealers on Thursday.

China's 2016 tea exports reached 328,700 tons, up by 1.15 percent, with a value of \$1.49 billion, which was up by 7.48 percent, according to annual statistics released by China's General Administration of Customs.

The State-owned high-end black tea producer Hunan Provincial Baishaxi Tea Industry Co plans to expand its sales in more Belt and Road markets this year.

"Almost 90 percent of our exports go to markets such as Japan, the Philippines and Indonesia, and our sales reached 12 million yuan (\$1.74 million) last year. But the exports account for only 4.6 percent of our annual sales," said Meng Tao, assistant general manager of the company.

"With the initiative in place, we are planning more exports to Belt and Road markets, such as Kazakhstan and Russia."

Meng said his company is recruiting more foreign staff to prepare for the move.

Methane trapped in sea ice recovered

By ZHENG XIN zhengxin@chinadaily.com.cn

China has become the first country to produce methane gas trapped in icelike crystals beneath the South China Sea, the Ministry of Land and Resources said on Thursday.

The test drilling and production operation conducted in the region this month by China International Marine Containers Group and China National Petroleum Corp lays a solid foundation for commercial use of the resource — known as marine natural gas hydrate — before 2030, said Li Jinfa, deputy director of China Geological Survey, which is under the ministry.

The tests will give China a continuous and stable supply of hydrate gas from the waters of the Shenhu area in the northern part of South China Sea, the ministry said.

The test production has reached a steady output, by Wednesday having yielded 113,200 cubic meters of natural gas over the previous seven days, with average daily production of just over 16,000 cubic meters, said Ye Jianliang,



A drilling platform is extracting methane gas trapped in icelike crystals in the seabed of the South China Sea. Tests are being done for future commercial use. PHOTO PROVIDED BY CHINA GEOLOGICAL SURVEY

commanding officer of the gas hydrate production field.

Although the drilling is difficult in technical terms, the effort is worth it, Li said, since the hydrate has huge commercial value potential.

"We have been keeping a close eye on its commercial value, and after the test-drilling, we are even more confident in its commercial prospects."

For the next step, two to three more drilling tests will be conducted in nearby regions so that more experience and data can be accumulated, Li said.

In China, the hydrate has been widely detected in permafrost in areas like the Qinghai-Tibet Plateau, as well as under the South China and East China seas.

"The production of gas hydrate will play a significant role in upgrading China's energy mixture and securing its energy security," Minister of Land and Resources Jiang Daming said on Thursday.

Natural gas hydrate consists of methane locked in water crystals that also are called flammable ice. It is an enormous untapped energy source formed under high pressure and low temperatures in permafrost or under the sea. It is regarded as a clean energy option with high energy density and huge amounts of reserves. It releases less than half the amount of carbon dioxide when burned as do oil and coal, ministry officials said.

Zhong Ziran, director of

China Geological Survey, said the test-drilling will help facilitate China's deep-sea exploration capability.

Blue Whale 1, the ultra-deep-water semisubmersible drilling rig built by the largest semisubmersible platform manufacturer, China Yantai CIMC Raffles Offshore Ltd, is conducting the tests in the South China Sea.

"Blue Whale 1 is the world's most advanced ocean drilling platform design," said Mai Boliang, president of CIMC. "It is important practice for CIMC to further enhance the country's high-end energy exploration equipment."

Zhong Nan contributed to this story.

Russians seek TCM care across border

By TIAN XUEFEI in Harbin and WANG XIAODONG wangxiaodong@chinadaily.com.cn

The director of a Harbin hospital said she has been glad to see traditional Chinese medicine becoming more popular. But in this case, the new patients are not Chinese, but Russians who cross into the border province of Heilongjiang for treatment.

"Our center received its first patient from Russia in 2001, and since then the number of Russian patients has been increasing," said Wang Yan, director of the rehabilitation center of Second Hospital Affiliated with the Heilongjiang University of Chinese Medicine.

"During the peak seasons between April and October they come in groups of 50 or 60, and they sometimes have to make an appointment to be able to see a doctor."

Many patients are children or teenagers with difficult and chronic conditions such as brain-related illnesses or injuries, she said. Doctors provide comprehensive TCM treatment, such as herbal drugs and acupuncture.

"We found many Russian patients have more confidence in TCM than Chinese patients," she said. "We have employed some Russians as translators to facilitate communication."

Iuliia Matreninskaia, 38, from Russia, took her son to the hospital for treatment this month for the fifth time. She said she first took her

10-year-old son, Daria, who has cerebral palsy, to Wang's hospital in 2012, and her son's brain function has since improved and he is able to move better.

Matreninskaia considers the medical facilities better and costs lower in Heilongjiang than at private hospitals in Russia.

Wang Hailin, president of Mishan Cardiovascular Diseases Hospital in Mishan, Heilongjiang, said many Russian patients seen by the hospital have conditions such as arthritis and varicose veins whose symptoms can be worsened by cold weather.

"TCM has proved to be effective in these diseases," he said. "We plan to work with hospitals in Russia and tourism agencies this year to attract more Russian patients."

Shao Zongbo, a manager at Mishan Qianshou Tourism Agency, said more than 200 Russians have used to agency to arrange for healthcare visits to the province every week this year. Most of them come from Russia's eastern areas, such as Vladivostok and Ussuriysk, he said.

"In the beginning, most of them came here for treatment of diseases, but now many of them also come for other health-related services such as massage," he said.

TCM institutions across China provided 910 million services in 2015, accounting for 15.7 percent of all medical services in China, compared with 14.3 percent in 2009, according to a report released by the State Council Information Office in December.

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Al fresco dining locations abound
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国内统一编号:CN11-0091
国际标准编号:ISSN0253-9543
邮发代号:1-3
A member of the Asia News Network
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Vol.37 - No. 11557