

US urged to ease trade frictions

Ministry of Commerce calls for cutback on number of trade remedy probes

By ZHONG NAN and REN XIAOJIN

China has called on the United States to cut the number of trade remedy investigations on Chinese products, to reduce the chances for trade friction, the Ministry of Commerce said on Thursday.

The US launched 20 trade remedy investigations on Chinese products in 2016, up 81.8 percent on a year-on-year basis. Among these investigations, there were 11 anti-dumping and nine countervailing investigations.

The amount of trade involved in the cases reached \$3.7 billion, about 131 percent higher than the previous year.

The US recently announced several major findings on trade remedy investigations into Chinese products, including tires and stainless steel plates.

"Trade friction between China and the US is quite normal, as the trade volume between the two countries is significant," said Wang Hejun, head of the trade remedy and investigation bureau at the Ministry of Commerce.

The US will make final decisions on several trade remedy investigations concerning China this year.

"We have noticed that the rate of rulings on Chinese cases is abnormally high, and there are several practices that did not conform to the World Trade Organization rules, leading to strong objections from Chinese manufacturers in related industries," said Wang.

The US government has



A worker checks stainless steel products in Dalian, Liaoning province. LIU DEBIN / FOR CHINA DAILY

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Wang Hejun, head of the trade remedy and investigation bureau at the Ministry of Commerce

launched 265 trade remedy investigations on Chinese products including steel, glass, ceramics and photovoltaic products, worth \$29.8 billion, since 1980.

Wang said China urged the US to implement trade remedy measures within the frame-

work of WTO rules.

A total of 49 countries and regions have launched 1,745 investigation cases on trade remedies against China by the end of 2016, worth \$126 billion.

Among these multi-billion-dollar cases, 1,392 were on

anti-dumping and 117 on countervailing duties. There are 623 measures remaining active with estimated \$62.1 billion amount of volume involved.

According to the WTO, China has become the biggest target of anti-dumping investigation for 21 years, and of countervailing investigations for a decade.

Xue Rongjiu, deputy director of the Beijing-based China Society for WTO Studies, said that apart from the rising frequency of these cases, the situation will remain challenging and complicated because both the US and European Union are to or may soon experience dramatic changes in their

political system, which will have a direct impact on their trade relations with China.

Last year was particularly tough, with frequent trade conflicts involving China. Twenty-seven countries and regions have filed 119 cases, up by 36.8 percent from 2015.

The total value involved in the cases surged 76 percent since 2015, topping \$14.3 billion. It means that cases worth \$100 million were filed against China every three days in 2016.

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Guizhou releases key plan for digital economy

By REN XIAOJIN in Beijing and YANG JUN in Guiyang

30 percent

proportion of digital economy in Guizhou's GDP by 2020

Guizhou has released a key development plan on its digital economy, which aims to lift the contribution made by the sector to at least 30 percent of the province's total gross domestic product by 2020, senior officials said.

The plan, the first of its kind in the country, targets expanding the utilization of information technology and big data.

To achieve the goal, Guizhou officials said the province had taken progressive moves.

"The key to drive digital economy lies in the projects," said Xu Yuanzhi, deputy head of the provincial development and reform commission.

"Last month, the commission announced 97 projects were contracted out," Xu said.

These covered areas of the digital economy including resources, technology and services. The total investment was 65 billion yuan (\$9.45 billion), Xu added.

Guizhou wants to underpin the significance of big data during the further development of its digital economy, officials said.

"Big data features heavily in the digital economy," said Ma Ningyu, deputy secretary-general of further development in Guizhou provincial government.

"The Guizhou government has listed big data as a crucial strategy, alongside poverty alleviation," Ma added.

In 2014, the Bainiaohe Digital Town was launched with a 5 square kilometer industrial park and an information hub, focusing on

internet and information technology.

More than 30 companies decided to move in, including big names such as Baidu, HTC and Legendstar.

"The investment environment is good and the local government officials have a sound and deep understanding of the digital economy and offer sufficient services," said Sheng Hua, CEO of MDong Technology, an internet company that focuses on accurate online interactive marketing.

The company moved to the digital town in 2015 and in the following year it generated 20 million yuan in revenue with a profit topping 5 million yuan.

"We plan to double staff numbers in 2017 to 200 full-time employees," Sheng said, adding that the company was now targeting 50 million yuan in revenue.

Bainiaohe Digital Town is aiming to become the home of more than 100 big data development enterprises in the next three years, providing tens of thousands of jobs and creating a 10 billion yuan worth of industry. The town also looks forward to being host to 10 listed companies.

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Shipping industry being buoyed by China data

By CECILY LIU in London cecily.liu@mail.chinadailyuk.com

The international shipping sector is banking on forecasts that predict growth in the China-led trade of commodities to create an increasingly integrated global infrastructure for services.

On Tuesday, Ben Line and Sharaf, two shipping agencies operating in Asia and the Middle East respectively, created a joint venture called WaterFront Maritime Services for clients requiring new global trade routes.

"Seaborne trade is becoming increasingly international in nature in recent years and China is the key driver, as the volume of Chinese trade with other continents significantly grew since it joined the World Trade Organization," said Terry Gidlow, CEO of WaterFront Maritime Services.

"Demand for integrated solutions in serving shipping clients, from trade origin to destination, is crucially important in today's market to cut costs, time, and ensure regulatory and legal compliance."

Other recent examples of integration include Hapag-Lloyd's merger with United Arab Shipping Company, CMA CGM purchasing Neptune Orient Lines, and the merger of Mitsui OSK, K Line and NYK.

The integration comes as President Xi Jinping has spoken in support of globalization, and the China-led Belt and Road Initiative has gained traction. Industry analysts said both factors contributed significantly to the growth of cross-regional service integration and forecast shipping volume.

"The Belt and Road Initia-



A man works on the dock as China Shipping containers are unloaded from a ship after being imported to the US. REUTERS

Seaborne trade is becoming increasingly international in nature in recent years and China is the key driver."

Terry Gidlow, CEO of WaterFront Maritime Services

ive is possibly the largest and most exciting transport and infrastructure program in modern times," said Harry Theochari, global head of transport at law firm Norton Rose Fulbright.

"The shipping of commodities and engineering materials will greatly increase the current demand for all types of shipping."

Sluggish economic growth globally triggered a downturn in shipping in the years after the financial crisis, but the latest

data shows signs of recovery, with Chinese imports of commodities acting as a driver.

According to statistics from China's General Administration of Customs, the nation's imports of iron ore in the first half of 2016 reached 494 million metric tons, an increase of 9.1 percent year-on-year.

China's imports of crude oil reached 187 million tons, up 14.2 percent. Its coal imports hit 108 million tons, up 8.2 percent. And its copper imports reached 2.74 million tons, an increase of 22 percent.

And the potential is even greater, given that Chinese companies have invested in infrastructure projects worth more than \$50 billion to foster trade among countries along the Belt and Road trade routes.

Theochari said shipping companies that survived the recession are "very well placed to benefit from the likely huge increase in demand for shipping which will be driven primarily by demand created by China's desire to cement its position as a true global superpower".



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