

EXHIBIT 4



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Regular Press Conference of the Ministry of Commerce on August 24, 2011

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Dear friends from the press,

Good morning!

I am Shen Danyang, Chief of the Secretariat of China International Trade Representative and Deputy Director of the General Office of Ministry of Commerce. I am new Spokesperson of the Ministry. First I would like to brief you on the commercial performance in August.

I. China's consumption market operation

According to the statistics of National Bureau of Statistics (NBS), in July, the total retail sales value of consumer goods amounted to 1.4408 trillion yuan, up by 17.2% year on year. The real growth was 10.3% after adjusting for price factor. From January to July, the total retail sales of consumer goods exceeded 10 trillion yuan (10,0241 trillion yuan), up by 16.8% year on year.

Here are the main features of consumption market in July:

First, sales business of large circulation enterprises has been increasing steadily. Sales value of 3,000 major retailers monitored by MOFCOM rose by 15.0% year on year, 2.6 percentage points lower than that of the same period of last year. Sales value of major wholesale enterprises monitored by MOFCOM rose by 15.4% year on year, 3.5 percentage points higher than that of the same period of last year.

Second, demand for foodstuffs and inflation-proof commodities is still robust. From the statistics of 3,000 major retailers, the sales value of foodstuffs grew by 19.1% year on year, daily commodities up by 17.9%, with 0.7 and 2.2 percentage points increase respectively over the same period of last year. As international gold price is rising and inflation-proof and crisis-proof investment is favored, the sales value of gold, silver and jewelry increased by 40.4%, 7 percentage points higher than that of the same period of last year.

Third, growth in demand for home appliances, housing and automobiles fell slightly. Influenced by price rise and adjustment of consumption-stimulating policies, the sales growth of home appliances and house decoration articles fell. The sales value of home appliances and audio equipments increased by 9.1%, building and decoration materials up by 9.7%, hardware and electrical materials up by 5.7%, with 5.4, 1.4 and 10 percentage points decrease respectively over the same period of last year. In addition, statistics of China Association of Auto Manufacturers showed that sales volume of autos nationwide totaled 1.2753 million, up by 2.2% year on year, 12.2 percentage points lower than that of the same period of last year.

Fourth, prices of major edible agricultural products remained stable. According to MOFCOM's monitoring, in 36 large- and medium-sized cities, the wholesale prices of vegetables and soybean oil fell by 3.7% and 0.3% respectively compared with that of previous month. The retail prices of small-packed rice and flour saw month-on-month increase of 1.6% and 1.2% respectively. The wholesale prices of pork and rapeseed oil and the retail price of sugar increased by 11.7% and 0.5% and 2.2% respectively over the previous month.

II. Foreign Trade

According to the statistics by the Customs, in July, China's imports and exports totaled US\$318.77 billion, up by 21.5% year on year. Among that, exports amounted to US\$175.13 billion, up by 20.4% year on year; and imports was US\$143.64 billion, up by 22.9%. Trade surplus

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increased by 10.3% to US\$31.48 billion. China's imports and exports from January to July exceeded US\$2 trillion (US\$2.02255) for the first time with a year-on-year increase of 25.1%. Among that, exports surpassed US\$1 trillion (US\$1.04938 trillion) for the first time, up by 23.4%; imports was nearly US\$1 trillion (US\$0.97317 trillion), up by 26.9%. Trade surplus stood at US\$76.21 billion, down by 8.7% year on year.

Main features are as follows:

First, growth rate of import and export prices both fell, but growth rate of trade rebounded. Influenced by global excess liquidity, unstable situation in Middle East and North Africa and Japan Earthquake, from January to July, import price of bulk commodities increased by a large margin. For example, the average import price of natural rubber, edible vegetable oil, iron ore, crude oil, refined oil and soybean increased by 66.1%, 40.1%, 39.1%, 35.1%, 32.6% and 31.2% respectively year on year. Recent months saw a steady slowdown of the growth of import and export price. The average import price of July rose by 9.2%, 1.2 percentage points lower than that of the previous month; average import price rose by 14.7%, growth rate down for 3 consecutive months. However, the growth rates of exports and imports in July increased by 2.5 and 3.6 percentage points respectively compared with that of the previous month.

Second, general trade continued to grow fast, and the proportion of processing trade in total trade decreased. In July, exports of general trade increased by 26.8%, growth rate of which has been higher than that of the total exports for 5 consecutive months; imports grew by 29.6%, growth rate higher than that of the total imports for 12 consecutive months. Exports and imports of processing trade increased by 13% and 10.4% respectively, with proportion in total exports and imports decreasing by 2.8 and 3.1 percentage points respectively. Other trade exports increased by 24.9%, and other trade imports increased by 24.1%. From January to July, imports and exports of general trade registered US\$1,065.36 billion, up by 31.2%. During the same period, imports and exports of processing trade reached US\$730.83 billion, up by 16.1%, accounting for 36.1% of China's total imports and exports, 2.8 percentage points lower than that of the same period of last year.

Third, imports and exports of private enterprises grew faster than the overall level, and export growth of foreign-invested enterprises and state-owned enterprises further slowed down. In July, exports of private enterprises increased by 35% and imports by 41%, with 14.6 and 18.1 percentage points higher than the overall level. Exports of foreign-invested enterprises grew by 13.8%, 0.6 percentage point lower than that of the previous month; and imports saw an increase of 15.6%. Exports of state-owned enterprises increased by 14.8%, 5.6 percentage points lower than that of overall exports; imports of state-owned enterprises increased by 25.3%, 2.4 percentage points higher than overall imports. From January to July, imports and exports of foreign-invested enterprises reached US\$1,036.12 billion, up by 19.3%, accounting for 51.2% of China's total imports and exports. Imports and exports of state-owned enterprises and other enterprises accounted for 21.4% and 27.4% of China's total imports and exports.

Forth, exports to the US remained sluggish, while imports from some emerging markets grew fast. In July, China's exports to the US increased by 9.7%, maintaining single-digit growth for 3 consecutive months; China's export to EU, Japan and ASEAN grew by 22.2%, 27.2% and 24.1% respectively, 1.8, 6.8 and 3.7 percentage points higher than the growth of overall exports. In emerging markets, imports from Russia, South Africa and Brazil increased by 37.4%, 60.8% and 47% respectively, 14.5, 37.9 and 24.1 percentage points higher than that of the overall imports respectively.

In addition, substantial growth has been achieved in the value of international service outsourcing contracts and software exports. According to the statistics of MOFCOM, from January to July, 55,095 contracts of service outsourcing were signed with a total value of US\$20.25 billion, up by 70.2% year on year. The executed value reached US\$15.18 billion, up by 83.5%. Among that, value of signed international service outsourcing contracts amounted to US\$15.11 billion, up by 71.2%, with executed value reaching US\$11.05 billion, up by 80.7%. During the same period, 23,773 contracts of software exports were signed with a total value of US\$8.56 billion, up by 47.6% year on year, the executed value of which reached US\$6.81 billion, up by 63.4%.

III. Utilizing foreign investment

From January to July, over 15,600 new foreign-invested enterprises were approved in China, up by 7.89% year on year. The actualized FDI reached US\$69.187 billion, up by 18.57% year on year. In July, the actualized FDI amounted to US\$8.297 billion, up by 19.83% year on year.

In terms of industrial structure, the growth rate of actualized FDI in service sector was higher than that in agriculture, forestry, husbandry, fishery as well as manufacturing sectors. From January to July, 418 new enterprises were set up by foreign investors in agriculture, forestry, husbandry and fishery sector, down by 5.22% year on year, with actualized FDI standing at US\$1.154 billion, up by 13.54% year on year, accounting for 2.68% and 1.67% respectively of the country's total in the same period. 664, 9 enterprises were newly established by foreign

investors in manufacturing sector, up by 13.39% year on year, accounting for 42.62% of the country's total in the same period, with actualized FDI up by 15% year on year to US\$32,174 billion, accounting for 46.5% of the country's total in the same period. The number of new foreign-invested enterprises in service sector reached 7,664, up by 4.79% year on year, with actualized FDI registering US\$31,798 billion, up by 20.84% year on year, accounting for 49.13% and 45.96% respectively of the country's total in the same period.

Concerning sources of foreign investment, investment from Asia rose while that from the U.S. dropped obviously. From January to July, the total number of newly established enterprises with investment from ten countries/regions in Asia (Hong Kong, Macao, Taiwan, Japan, the Philippines, Thailand, Malaysia, Singapore, Indonesia and South Korea) was 12,555, up by 8.79% year on year. The actualized FDI reached US\$59,537 billion, up by 23.67% year on year. 844 new enterprises were set up by the U.S., down by 4.74% year on year, with actualized FDI standing at US\$1.94 billion, down by 19.17% year on year, 976 enterprises were newly established by 27 European Union countries, up by 7.14% year on year, with actualized FDI amounting to US\$4,084 billion, up by 1.36% year on year.

With regards to geographic location, the actualized FDI in central and western regions continued to grow faster than that in eastern region. From January to July, the number of newly established foreign-invested enterprises in eastern region was 13,321, up by 9.62% year on year, with actualized FDI standing at US\$59,026 billion, up by 16.67% year on year, 1.9 percentage points lower than the national average growth rate, accounting for 85.39% and 85.31% respectively of the country's total amount. 1,533 foreign-invested enterprises were newly established in central region, down by 2.04% year on year, with actualized FDI reaching US\$ 5,003 billion, up by 29.36% year on year, 10.79 percentage points higher than the national average growth rate, accounting for 9.83% and 7.23% respectively of the country's total amount. New enterprises established by foreign investment in western region numbered 746, up by 0.54% year on year, with actualized FDI registering US\$ 5,159 billion, up by 32.48% year on year, 13.91 percentage points higher than the national average growth rate, accounting for 4.78% and 7.46% respectively of the country's total amount.

IV. Outward direct investment and economic cooperation

1. Growth rate of overall outward direct investment slowed down. From January to July, domestic Chinese investors have directly invested in 2,169 overseas companies in 117 countries and regions, with outward direct investment in non-financial sectors reaching US\$27.63 billion, up by 3.3% year on year. Among that, direct outward investment through merger and acquisition valued at US\$9.2 billion, accounting for 33.3% of China's total outward investment in the same period. By the end of this July, China's cumulative non-financial outward direct investment stood at US\$286.43 billion.

In regard to the outward investment to major economies, from January to July, China's investment to Australia and Hong Kong achieved substantial growth, while that to ASEAN, the E.U., the U.S., Russia and Japan declined. In January-July period, direct investment to Hong Kong amounted to US\$16.89 billion, up by 23.9% year on year; investment to Australia stood at US\$1.68 billion, up by 102.5% year on year.

As to the composition of domestic investors, outward direct investment by regions reached US\$10.13 billion, accounting for 36.7% of China's total in the same period, up by 8.5% year on year, among which Zhejiang, Shandong, Jiangsu, Shanghai, and Guangdong are in the lead.

2. Foreign contracted projects sustained a rapid growth. From January to July, the accomplished turnover of China's foreign contracted projects reached US\$51.38 billion, up by 20.4% year on year. Among that, the turnover accomplished in July was US\$9.87 billion, up by 42.6% year on year; and the value of newly signed contracts reached US\$75.77 billion, up by 25.2% year on year. New contracts signed in July valued at US\$10.12 billion, up by 41.5% year on year.

The newly signed projects with contract value over US\$50 million numbered 262 (225 in the same period of last year), amounting to US\$59.79 billion, accounting for 78.9% of the total value of new contracts. Among that, projects with contract value over one hundred million numbered 134, 22 more than that of the same period of last year.

With respect to geographic location of the newly signed contracts, the top ten countries and regions were: India, Hong Kong, Saudi Arabia, Angola, Laos, Pakistan, Nigeria, Kazakhstan, Malaysia and Algeria, with a total contract value of US\$32.8 billion, accounting for 43.3% of the total value of newly signed contracts.

In terms of industrial distribution of the newly signed contracts, the top five industries were: electric power industry valued at US\$20.82 billion, accounting for 27.5% of the total; housing construction industry, at US\$14.27 billion, for 18.9%; transportation construction industry, at US\$12.65 billion, for 16.7%; electronic communication industry, at US\$10 billion, for 13.2%; petrochemical industry, at US\$7.38 billion, for

9.7%.

By the end of this July, the accumulated value of signed contracts of China's foreign contracted projects stood at US\$775.1 billion, and the accomplished turnover amounted to US\$487 billion.

3. Foreign labor service cooperation enjoyed a steady growth. From January to July, all kinds of labor sent abroad by labor cooperation projects reached 242 thousand, 20 thousand more than that of the same period of last year. Among that, labor sent abroad in foreign contracted projects was 142 thousand, and in labor cooperation projects was 100 thousand. At the end of this July, the number of all kinds of labor abroad was 787 thousand, 25 thousand less than that of the same period of last year.

From January to July, all kinds of labor were sent to the following countries and regions: Japan, Singapore, Angola, Macau, Algeria, Hong Kong, Saudi Arabia, Indonesia, Mongolia and Russian Federation.

By the end of this July, the number of all kinds of labor sent abroad by labor cooperation projects totaled 5.67 million on a cumulative basis.

V. Assistance to Xinjiang for its construction and development and the first China-Eurasia Expo

MOFCOM attached high importance to a new round of assistance projects in Xinjiang. Since June of 2010, leaders of MOFCOM have conducted several field surveys in Xinjiang, deliberating to solve major issues. Based on Xinjiang economic characteristics, MOFCOM formulated a series of policies and measures best suitable for the assistance to ensure practical results can be achieved in boosting Xinjiang through business and trade. Besides, the Ministry has signed agreements with Xinjiang Uygur Autonomous Region and the Xinjiang Production and Construction Corps on coordinated support and cooperation in major fields. Since 2011, MOFCOM has drawn up annual plans on assistance to Xinjiang, combining long with short term, highlighting the important points and carrying them out year by year.

For more than one year, MOFCOM has done a great deal of work focusing on such aspects as implementing preferential policies on imports and exports, promoting border trade of Xinjiang, organizing the first China-Eurasia Expo (CAE Expo), establishing China-Kazakhstan Horgos International Border Cooperation Center, as well as enhancing commercial circulation, enterprises going out, industrial park construction and industrial upgradings in Xinjiang. In addition, plans on boosting Xinjiang through business and trade were conducted in an orderly, vigorous and effective manner, and have achieved periodic achievements. For example, China-Kazakhstan Horgos International Border Cooperation Center has entered an overall acceptance stage and will be jointly operated by both China and Kazakhstan in the near future.

For the purpose of accelerating economic development and opening-up of Xinjiang, the Central Government has upgraded the former China Urumqi Foreign Economic Relations and Trade Fair into CAE Expo. The first CAE Expo will be held in Urumqi of Xinjiang from Sep.1 to 5, sponsored by 29 departments, including People's Government of Xinjiang Uygur Autonomous Region, Xinjiang Production and Construction Corps, MOFCOM, the Ministry of Foreign Affairs and National Development and Reform Commission, and co-sponsored by people's governments of 22 provinces and cities, including Beijing, Shanghai, Zhejiang, Jiangsu, Shandong and Guangdong.

According to schedule, the first CAE Expo will hold many important activities, such as opening ceremony, China-Eurasia Economic Cooperation and Development Forum, Information Minister Forum, Overseas Chinese Merchants and Xinjiang Development Forum, Agricultural Cooperation and Development Forum, Scientific and Technological Exchanges and Cooperation Forum, Financial Cooperation Forum, China-Eurasia Tourism Cooperation and Development Forum, Chinese and Foreign Culture Presentation Week and SCO Business Day. The Expo covers 42,000 square meters for indoor exhibition with 2,121 standard booths and 40,000 square meters for outdoor exhibition, inviting over 5,000 overseas buyers from 55 Asian and European countries.

Shen Danyang: Now, it's time for taking questions. Welcome to ask your questions.

Xinhua News Agency: As we know, in the context of the current turmoil in the international economic situation, trade surplus in July still hit a new high of 30 months. Would you please explain the reason? What measures will MOFCOM take to reduce surplus and ease the pressure for the increase of foreign exchange reserve? Thank you.

Shen Danyang: You are very keen and acute, noticing trade surplus in July is comparatively large over the last 30 months. Instead of only focusing on that figure, we have learned that since the beginning of this year, positive results have been achieved by MOFCOM in drive of stabilizing export growth, adjusting trade structure, and promoting trade balance, especially in reducing trade surplus. There are two indicators

below for your reference:

First is to focus on trade surplus reduction at an absolute level, or absolute scale. In January-July period, the total import and export volume increased by 25% while trade surplus down by 8.7%. From January to June, trade surplus fell by over 20%. Reflecting back further, we witness absolute scale of trade surplus had been decreasing from 2005 to this July. Trade surplus in 2008 reached a peak of about US\$300 billion; while in 2009, it dropped by US\$100 billion to less than US\$200 billion; and in 2010, the figure continued to reduce to US\$180 billion. Thus, trade surplus this year is expected to further decline based on that of last year. That is change in absolute scale of trade surplus.

Second is to concentrate on trade surplus reduction at a comparative scale, which means the proportion of trade surplus over GDP. Trade surplus in 2008 took 6.7% of the country's GDP and dropped to 2.2% in the first half of last year, declining gradually with each passing year. This year, it fell further by 0.7 percentage points to 1.44% over the first half of last year. Actually, trade surplus at comparative scale dropped dramatically. It is generally known that the proportion of trade surplus of about 3% is rational, and China's trade surplus took up just a little more than 1% of the country's total GDP.

Concerning the rebound in July's trade surplus, we have made an analysis in two aspects: firstly, China's export to emerging markets and developing countries kept a rapid growth with increasing price. As I briefed earlier on export diversification from January to July, export growth rate with many countries such as Brazil and Russia reaching over 40% or even over 60%. Secondly, you might notice that prices of bulk commodities in international market retreated in July, so prices of imports fell correspondingly. Considering the coincidence of the above-mentioned rise and fall, there is an element of accident in the trade surplus of July.

Regarding the relations between trade surplus and foreign exchange reserve, I'd like to emphasize that trade surplus is a factor of foreign exchange reserve increase, but not the only factor. Besides, contribution of trade surplus to the increase of foreign exchange reserve has continuously declined. To avoid an irrational large sum of foreign exchange reserve, trade surplus reduction is indeed a solution, but not the only one. What we need is to take measures in various ways. In order to promote a balanced trade, some measures adopted by MOFCOM on expanding and enhancing imports will play a certain role. For the next step, we will further promote trade balance by actively expanding imports of advanced technology, key components and parts as well as resources in short supply, and by improving policies on imports promotion as well as measures on trade facilitation.

As of the policy measures and preference to be taken next by MOFCOM, we will, according to current international and domestic economic situation as well as requirements of a large number of enterprises, continue to adhere to the drive of "stabilizing export, adjusting trade structure and promoting trade balance", and make effort to maintain stability and continuity of foreign trade policies. Thank you.

People's Daily: Since 2011, some export-oriented enterprises in Guangdong, Jiangsu and Zhejiang provinces have closed down or fallen into a slump. It is said that China as a world factory is confronted with unprecedented challenges. Dongguan pattern is coming to an end. What comments on this from MOFCOM? How to cope with those problems? Thank you.

Shen Danyang: On one hand, we predicted at the beginning of this year the instability and uncertainty in international economic situation owing to changes in the international market; on the other hand, some enterprises in the Pearl River Delta region were in difficulty as a result of increasing costs of domestic factors such as labor and raw materials. But according to information from MOFCOM, we have no data or typical cases to support your statement that massive export-oriented enterprises have been shut down. Dongguan, a role model of processing trade nationwide, has been listed by MOFCOM as a key for transformation and upgrading of processing trade in the document co-issued by MOFCOM, Ministry of Human Resources and Social Security and General Administration of Customs. We added Dongguan as a pilot last year, and have unveiled 13 measures covering this year 8 aspects, which we hope will play an active role in advancing transformation and upgrading of Dongguan's processing trade.

The latest statistics showed that top 300 export enterprises in Dongguan have basically realized the operational pattern of putting design and production together. As we often said, foreign countries occupied the two ends of "smiling curve", leaving us at the bottom. However, Minister Chen Deming mentioned in Hong Kong several days ago that a enterprise in Dongguan saw more than 100 Italian designers working the factory. It is not only a case of one or two, over 300 enterprises have combined design with production.

Export of product by ODM production took over 60% of that of processing trade in the city. Transformation of processing enterprises with imported materials had accelerated, with 1,250 enterprises shifting from non-legal entity to legal entity in 2010, 1.4 times the total of previous years. Therefore, I believe that Dongguan pattern hasn't approached its end, but instead it is having a fundamental transformation for more

brilliant future.

Phoenix TV: A notice on cross-border direct investment in RMB has been currently posted, when will it be carried out after soliciting opinions? I noticed that there were not many contents specially directed to Hong Kong. Not long ago, Vice Premier Li Keqiang particularly pointed out in Hong Kong that Chinese Government will support its related work, and vice president of Hong Kong Monetary Authority also mentioned that some measures will be conducted within this year. Will Chinese Government make certain measures and time schedule for Hong Kong? Will they benefit Macao and Taiwan as well? Thank you.

Shen Danyang: Thank you for your question. We have released a draft circular (for public comments) for issues concerning cross-border RMB for foreign direct investment on MOFCOM website (hereinafter referred as the draft circular) yesterday, aiming at promoting cross-border investment of RMB and further utilizing foreign investment. Offshore RMB is mainly concentrated in Hong Kong, Taiwan and Macao; some in Singapore and other surrounding regions. During Vice Premier Li Keqiang's visit to Hong Kong, he expressed that Chinese Government will encourage enterprises of Hong Kong to use RMB for direct investment in the Mainland. The draft circular was announced to implement instructions by Vice Premier Li, and also a specific measure for the decision made by the State Council in previous period. This measure is established not only for Hong Kong, but also for other regions like Macao and Taiwan as well as for foreign investors. Since the draft needs a period for soliciting opinions, we will try to put it into effect in September. Thank you.

China Daily: A certain German official recently said that large-scale of land in Africa sold to China was one of the reasons for the famine in Eastern Africa, what would be your comment on that? Thank you.

Shen Danyang: I haven't heard about that, and if there were such a saying, I have to say that it is kind of nonsense. As we know, China has some agricultural investment projects in Africa, hoping to help African countries to improve agricultural development and food production capacity. Chinese enterprises conducted investment in Africa with good will. As China has advantages in agricultural and food production technology, and with Africa's natural resources and climatic conditions, it is possible to improve agricultural development in Africa.

I had visited Africa in 2010 and 2011, and I learned that most produce including grain, which were produced by Chinese enterprises who conduct agricultural cooperation there, are sold in Africa to meet local consumption demand, and it is safe to say that not a single grain was brought back to China. Therefore, it is a complete nonsense to say that exporting grains from Africa to China results in the famine in Eastern Africa.

I would like to add that after the serious famine occurred in Eastern Africa recently, the Chinese Government has announced twice to provide Africa with emergency food aid and cash assistance worth of RMB 443 million, equal to about US\$ 70 million. The first batch of food is to be shipped next week, and most of the food will be delivered in September. China will provide wheat, rice, flour and sugar with full respect for the recipient's request. China will also provide cash assistance which is to be provided to the four African countries through the United Nations World Food Program. Besides, China will provide well drilling services to Djibouti. We hope people in Eastern Africa will overcome the difficulties as soon as possible with their own efforts as well as international community's assistance. Thank you.

CNR: The Ministry of Commerce released yesterday some statistics about pharmaceutical distribution business 2010. How was the statistical work carried out, and will there be any effect on stabilizing prices? Thank you.

Shen Danyang: The State Council made a decision in August 2009 that the Ministry of Commerce be in charge of administration on pharmaceutical distribution industry. As there were no detailed statistics on pharmaceutical distribution industry, the statistics on the number of enterprises in pharmaceutical distribution, and specific annual sales and profits are not yet perfect. Therefore, MOFCOM worked on that, and according to statistics released on August 23, the total sales volume of pharmaceutical distribution industry reached 708.4 billion yuan in 2010, with a relatively fast growth of 24.6% compared with that of 2009, among which retail sales were 127.5 billion yuan, up by 20%.

You can find the relevant statistics on the website and I will not explain in detail. What I would like to mention is that administration on pharmaceutical distribution industry is a new responsibility of MOFCOM, and as local commerce departments have just taken over the job, they are not very familiar with specific industrial sectors, so they are working with enterprises on the online enterprise data-report system. Since there are a large number of enterprises, statistical work have to be done online. And we will choose some typical enterprises for the sampling survey so as to analyze the trend of the industry. Now there are 577 enterprises participated in the work, and MOFCOM will release and update the list of enterprises involving in the enterprise data-reporting system. The work was started in 2011, this is first published, and further cooperation of enterprises and local departments were required in order to improve the work. Thank you.

Dow Jones: I would like to ask a question about investment with offshore RMB. Will China's trade surplus impact on renminbi's appreciation? Will the investment in China with renminbi acquired overseas alleviate the pressure on appreciation of RMB, reduce China's trade surplus and the increase of China's foreign exchange reserves?

Shen Danyang: It might be more appropriate for the People's Bank of China or the State Administration of Foreign Exchange to answer this question, but I would like to talk about my personal opinions. The implementation of the measures on investment with overseas RMB may bring about two aspects that will lead to an increase or a decrease of foreign exchange reserves. On one hand, from trade perspective, part of RMB may remain in Hong Kong while RMB were used overseas and foreign exchange flow in, and there will be an increase of foreign exchange reserves. On the other hand, from investment perspective, renminbi may be brought to domestic market by foreign investment, and will circulate in the market, and foreign exchange reserves may not be increased. I think the new measures will not cause a significant increase or decrease of foreign exchange reserves. Thank you.

CCTV Finance Channel: Chinese enterprises have encountered some problems recently in the process of implementing "Going Global". for example, Huawei and ZTE appealed against each other for IPR infringement overseas, the Mecca light rail project contracted by China Railway Construction Group has suffered huge losses, and the A2 highway project in Poland contracted by Chinese enterprises was terminated because of the contract price. Will the Ministry of Commerce take any further measures to guide and support Chinese enterprises in "Going Global"?

Shen Danyang: MOFCOM attaches great importance to the problems appeared recently in Chinese enterprises' investment and cooperation overseas. To solve those problems depends on efforts of the enterprises themselves, who should carry out friendly consultations with the principals under the contract. At the same time the government also has a role to play. As one of the departments in charge of administration of the "Going Global" business, MOFCOM will, in accordance with the Administrative Regulations on Contracting Foreign Projects, work with relevant departments of the State Council to improve relevant regulations and standards, establish a scientific and standardized supervision and coordination mechanism as well as a quality management systems on major projects, urge enterprises to fully assess the economic and social efficiency of the projects, so as to increase management on overseas projects.

MOFCOM and SASAC co-held a symposium yesterday with the central state-owned enterprises (SOEs) on overseas investment and cooperation and foreign aid, and signed MOU of Cooperation between the two departments.

You may wonder why we held symposium only with the central SOEs, the fact is, the central SOEs account for a large proportion at present in implementing the "Going Global" strategy, especially in contracted projects and large projects. Working with the central SOEs first does not mean we only service the central SOEs, MOFCOM and the Federation of Industry & Commerce will also hold a symposium with the private enterprises. The principles of MOFCOM to work on this issue are mainly in four words: service, coordination, guidance and regulation. MOFCOM will, through making strategic planning, providing general guidance, formulating institutions and policies, to provide public service, risk prevention, and push forward cooperation on major projects. Thank you.

New York Times: I'd like to ask a question about WTO Panel Report on China's export restrictions of raw material. The Ministry of Commerce has made comments on that, is there any more information? First, will China consider applying to any special agency for appeal? Second, China's export restrictions of some other minerals also violated WTO rules, and do you think China's policy on rare earth, which has long been quite controversial, complies with WTO rules?

Shen Danyang: As to the case you mentioned, I want to say briefly, first, we will appeal; second, we still hold that China's conducts and policies are not inconsistent with WTO rules. Thank you.

BTV: Sugar price has been increasing, and sugar reserve has been released for the second time in August. Now Mid-Autumn Festival is approaching, how does MOFCOM look at the sugar price issue, and how does MOFCOM look at commodity price during Mid-Autumn Festival? We also noticed that MOFCOM and Beijing Municipal Government will work together to launch pilot project of Weekend Vegetable Markets, what is the latest development, and what other measures will be adopted to stabilize prices? Thank you.

Shen Danyang: First, on the issue of sugar price, whether it rises or not, MOFCOM has responsibility to regulate the market as sugar is a special commodity. When the price is irrationally high, we will release the sugar reserve. It is the measure we frequently adopt to regulate sugar market, together with National Development and Reform Commission and related sugar reserving companies. If sugar price goes too high, we

will do everything possible to guarantee the sugar supply in Mid-Autumn Festival and National Day holiday, and maintain the stability of sugar price.

Second, as to the pilot project of Weekend Vegetable Markets in Beijing, it is relevant to all of you present. It is a program beneficial to the people, jointly carried out by MOFCOM and the Beijing Municipal Government. It is just a pilot program currently, but it is very likely to expand gradually, not only in Beijing, but also in cities with certain conditions. As we know, people in Beijing usually buy vegetables in wet markets or supermarkets. However, some new communities, especially those beyond the Third Ring Road, have no wet markets, and are relatively far away from supermarkets. Therefore, we should provide convenience for residents there. Of course, people will ask, since the prices of some vegetables are relatively high, are there any cheaper varieties? And are vegetables sold there safe in quality? We are all concerned with food safety, and it is in the need of urban residents for green vegetables. On the other hand, from the perspective of farmers, we can see some agricultural products in Hainan cannot be sold off, or some agricultural products in Shandong cannot be sold off, and many farmers have the same marketing problem of fruits and vegetables. Farmers will say since it is hard for me to sell, and you do not purchase, can we transport the produce to the cities by ourselves to sell? We were inspired by this, and we also found that, in some countries, for instance in some areas of the US, farmers are allowed to carry vegetables and fruits by truck to designated places to sell, such as to parks, playgrounds and football courts, and farmers should clean the place after the selling. Farmers have this idea, once their agro-produce cannot be sold out, the city can provide convenience to them, do not fine for driving in, provide places with basic conditions for selling vegetables, and provide fees and taxes exemptions. This satisfies the demand of the two sides. Noticing this is good, MOFCOM decided to carry out a pilot program. First, we contacted Beijing Municipal Government and we joined hands to carry out the program. Beijing Municipal Government attached great importance to this. They studied the pilot program in June, and now in August they have already implemented the program, but they did not publicize it extensively. As far as I know, there are four pilot markets in the first batch, which are located in four directions of Beijing, i.e. in campus of Beihang University in Haidian District, in residential area of Wangjing Street of Chaoyang District, in Fangzhuang of south-east Fengtai District, and in residential area of Wulituo Street of Shijingshan District. At the same time, we have chosen two agricultural cooperative enterprises to organize farmers and its affiliated cooperative enterprises to sell in urban area. Here's a piece of good news, besides the vegetables are green and fresh, directly transported from the countryside, the prices are also cheaper than the common ones. As to other specific information about the pilot markets, we will brief you together with Beijing Municipal Government. Thank you.

Bloomberg News: I have two questions, first, it's reported that Libya rebels have attacked and occupied the capital, and Gaddafi's government has basically fallen, I would like to ask what Chinese government will do to help Chinese-invested enterprises to recover trade and economic activities in Libya? Second, regarding the recent merger and acquisition cases, Nestlé's acquisition of Hsu Fu Chi International Ltd., Google buying out Motorola Mobility, and Parkson's acquisition of Little Sheep, are there any new progress? Thank you.

Shen Danyang: Firstly, I will answer the question about the cases. Recently, we noticed media reports that Google announced to purchase Motorola Mobility. But up to now MOFCOM has not received the application of anti-monopoly review about the case. After receiving the application, we will take the due responsibilities to review the case according to the regulations of the Anti-Monopoly Law. And the cases of Nestlé's acquisition of Hsu Fu Chi International Ltd. and Parkson's purchase of Little Sheep, we have received application and approved to file, and currently Anti-monopoly Bureau of MOFCOM is reviewing the cases according to the Anti-Monopoly Law. MOFCOM will timely announce the cases which are prohibited to approve or which must be attached with other conditions to approve; for the cases to be approved unconditionally, MOFCOM will notify the applicant of the review result.

Talking about Libya, we have also noticed its recent situation. We hope Libya will resume stability as soon as possible, and would like to carry out further trade and economic cooperation with Libya in all fields, and to play a positive role in Libya's reconstruction together with the international community. Thank you.

CCTV News Channel: As Mid-Autumn Festival and National Day holiday are approaching, many people will give out gifts, and shopping card is a common choice. Nowadays the society pays a lot attention to this, does MOFCOM have any new administrative measures for commercial enterprises distributing shopping cards? Thank you.

Shen Danyang: The issuance of shopping cards by commercial enterprises is a normal operation. It is originally a good thing, but now there are problems such as insufficient supervision on shopping cards, conducts inconsistent with financial rules, absence of risk prevention mechanism, and private consumption with public funds and bribery through shopping cards. Therefore, the State Council has attached great importance to this, directed relevant departments to strengthen administration on commercial prepaid cards, and issued specific document. In May, the General Office of the State Council forwarded the Circular of People's Bank of China, Ministry of Supervision and other departments on Opinions on Regulating the Administration of Commercial Prepaid Cards. The document requires MOFCOM to reinforce administration on the

issue, and MOFCOM is responsible for the administration of those commercial enterprises, So MOFCOM has formulated the Circular on Implementing of Opinions on Regulating the Administration of Commercial Prepaid Cards, put forward the administration principles of "regulating as the main measure, giving consideration to development, administrating by regions, and supervising by card categories", made clear the administration measures of real name registration on shopping cards, non-cash purchase system, limited-amount releasing, and defined the administration mechanisms such as releasing operation report by major card-distributing enterprises. We are currently working on the implementation of the regulation.

In the next step, MOFCOM will formulate "Administrative Measures on Issuing Single-purpose Commercial Prepaid Cards", to clarify principal administrative party, administrative duties, administrative mode, administrative means, and so on, there are many other specific measures. What we can surely tell you is that MOFCOM will further strengthen administration on the issue according to the requirements of the State Council.

Thanks again for your participation, and that concludes the press conference today. Thank you.

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