

Beijing aims for \$200 billion in service trade by 2020

Beijing will strive for a target of US\$200 billion in service export and import by 2020.

While sharpening its edge in traditional service trade such as tourism, transportation and architecture, Beijing will also develop emerging sectors including technology, culture, traditional Chinese medicine and finance.

Beijing will cultivate multi-level market players in service trade and create a number of brands with strong international competitiveness.

Meanwhile, nine policies and measures—including in taxation, finance and trade facilitation—will be implemented, to turn Beijing into a world leading hub of service trade.

Tibet's airport able to accommodate large planes overnight



Konggar Airport in Tibet [File Photo]

Konggar Airport in Tibet, one of the highest-altitude airports in China, was

able to accommodate a Tibet Airlines wide-body Airbus 330 aircraft overnight for the first time, the airline announced Wednesday.

The 3,600-meter-high airport in Lhasa was able to accommodate the plane after the airline's technicians solved the problem of re-starting the aircraft's engine in a low air pressure environment after an overnight stay.

A new oxygen diffusion device has been designed to increase air supply during the engine ignition process, the airline said.

High-altitude airports (over 2,438 meters above sea levels) pose safety issues for pilots as low air pressure affects flight performance. All five airports in Tibet are classified as such.

[Public hospitals told to end drug markups](#)

All public hospitals have been told to end the longtime practice of drug price markups by the end of September as part of the ongoing healthcare reform, the top economic planner said on Wednesday.

Public hospitals' loss of revenue will be offset for the most part by an increase in the prices of patient services, and more government investment is expected, a National Development and Reform Commission statement said.

The markups, a key source of income for public hospitals, are a major but thorny issue in healthcare reform, which aims for universal coverage of basic healthcare services, according to the National Health and Family Planning Commission.

Since the 1950s, public hospitals have been selling drugs at a markup. The maximum is 15 percent. Although the policy helped make up for a lack of adequate government healthcare funding, "gradually it evolved into a way to reap profits, contributing to worsening problems like overprescribing, an excessive use of antibiotics by hospitals, and rising medical expenses", said Wang Hesheng, vice-minister of the health and family planning agency.

With the expected drop in revenues from drug sales, authorities will adjust the fees for medical services, the NDRC said on Wednesday.

Charges related to the expertise of medical staff, like those for diagnosis, surgery and rehabilitation, will rise, while those for tests requiring major medical equipment will drop, the commission said.

The commission also is requiring local price regulators to carry out other necessary reforms following the measure, including changing medical insurance

payments so rising service fees are covered by insurance reimbursement. Also, attention must be given to meeting the basic healthcare needs of low-income people.

Many public hospitals in China had already abolished drug price markups before Wednesday's announcement.

In Beijing, more than 3,600 medical institutions, including all public ones, had abolished the practice starting Saturday.

The measure is expected to lower the cost of outpatient treatment by about 5 percent, but the cost for inpatient treatment, including surgery, will rise by about 2.5 percent, said Li Sufang, deputy director of the Beijing Commission of Development and Reform.

Drug sales accounted for a third of the income of public hospitals last year, according to the Beijing Commission for Health and Family Planning.

[3 metro areas fail in pollution controls](#)



A polluted river in Chongqing [File Photo]

The governments of three of China's most populous cities have been told they provided inadequate pollution controls and failed to meet some "green" targets, according to the results of top-level inspections.

Teams under the guidance of the State Council examined Beijing, Shanghai and Chongqing as part of the nation's second round of provincial inspections started in late November. The Ministry of Environmental Protection published the findings on Wednesday.

Although the problems exposed in each city varied, a common point in each report was that the municipal governments had not properly implemented some measures aimed at pollution control.

Among the severest violations was in Shanghai, where inspectors discovered local authorities had failed to meet a target to halt all illegal construction and close illegal factories by the end of last year.

In Fengcheng township alone, 976 unlicensed wood processing plants were still in production, as were 31 of the 46 illegal construction sites targeted at the start of 2016, according to the inspection report.

"Shanghai has seen some environment work growing slack and some standards have fallen," the ministry said in a statement on Wednesday.

The city, an important business hub, has a population of about 24 million.

Beijing, with population around 21 million, also was found missing some reduction targets during the inspection.

It had been scheduled to finish treating 19 severely polluted rivers last year, but only one was finished by December, the statement said.

Its Shunyi district failed to reach the PM2.5 reduction goals for the second straight year.

The PM2.5 refers to the fine particulate matter with diameter less than 2.5 microns that is hazardous to human health.

Inspectors also noted weak pollution control management in the three cities.

In Shanghai, inadequate law enforcement was found, with fines too light to deter polluters and about 800 companies that were ordered to shut down due to their pollution output were still in operation.

In Beijing, about 10,000 small companies cited as polluters were still in operation in Daxing district, ranking the city as having the worst air pollution in 2016.

And Chongqing, with a population of 30 million, has 100,000 farms, of which the majority were not listed in the improvement plan to reduce pollution. About 28 million metric tons of waste from the farms were discharged untreated annually, the statement said.

In addition, inspection teams have found water pollution worsening in some areas in the three cities.

In total, the three governments have dealt with all 6,063 cases involving

violations cited by inspectors.

Some 3,542 polluting companies were required to correct their pollution problems and 61 people responsible for the problems were detained in the three cities.

The high-level environmental inspections conducted last year have helped control some pollution, Environment Minister Chen Jining said in March, adding the 15 remaining provincial regions will have inspections this year. Last year, China conducted a pilot and two rounds of inspections covering the 16 provincial regions.

[Interview with James Bennett, ABC AM](#)

SABRA LANE:

The Prime Minister Malcolm Turnbull flies back into Sydney this morning after three days in India. Mr Turnbull had been talking up a joint Prime Ministerial commitment between himself and India's PM Narendra Modi to revive free trade talks as a key outcome from that visit. But Mr Turnbull now concedes that despite that a deal may never eventuate. The Prime Minister spoke with the ABC's South Asia correspondent James Bennett who started by asking why negotiations had broken down in the first place.

PRIME MINISTER:

Well look I don't think there's any point in getting into a blame game I mean the fact is that there hasn't been enough progress and so what we've agreed to do is to ensure that our negotiators get back to the table, that they identify the respective claims so we can see where they're close, where they're far apart or issues that they're not addressing and they will then report back to both Prime Ministers and that gives a focus on it and it may be that the conclusion will be that the parties are too far apart to enable a deal to be reached at this time.

JAMES BENNETT:

So that is a realistic prospect? You're open to the fact that a deal worth doing as you've said-

PRIME MINISTER:

Well it has to be a deal worth doing and, so it has got to be a deal worth doing but the important thing, that is that Prime Minister Modi and I have given our prime ministerial direction and leadership and impetus to ensure that the two sides will focus on the nitty-gritty of what the CECA, the free trade agreement would involve and then we can identify where if, where, you

know, the parties are apart and see how we can bridge those gaps.

JAMES BENNETT:

Why then did Tony Abbott in 2014 declare that there was a deal that could be signed by the end of 2015?

PRIME MINISTER:

Well you would have to ask him that. The fact is that the Indian offers have not been adequate to date.

You know, look I don't want to get into the blame game, there's no point in that. I know that might be some interest for you perhaps and others.

Mr Modi and I want the matter to be resolved and look we have a great economic relationship and it's getting stronger all the time and it will grow whether or not there is a free trade agreement but it would obviously be enhanced if there was.

JAMES BENNETT:

Can India really replicate the Chinese economic rise?

PRIME MINISTER:

India is obviously not a country where the government is able to direct investment and production in the way China is. On the other hand, China opened up its market to direct investment, it opened up to trade many years ago. Now India, that is relatively recently but nonetheless from a trade point of view India has had an historically a much more protectionist tradition. Now Mr Modi is changing that but obviously these changes tend to have a period of evolution, they don't turn on a dime.

[ENDS]