



Neal Martin

rnmartin@mlstrategies.com

David Leiter

djleiter@mlstrategies.com

ML
STRATEGIES

ML Strategies, LLC

701 Pennsylvania Avenue, N.W.

Washington, DC 20004 USA

202 296 3622

202 434 7400 fax

www.mlstrategies.com

CHINA UPDATE

May 8, 2013

QUOTE OF THE WEEK

"China's leaders continue to see the modernization of its military as a central component of their strategy to advance China's national development goals in the first two decades of the 21st century. With this development, China's interests have grown and its influence has expanded not only in the Asia-Pacific, but across the globe. Accordingly, China's military modernization has begun to focus to an increasing extent on capabilities and mission sets that extend beyond immediate territorial concerns, what have been termed the new historic missions. These include counter-piracy, peacekeeping, humanitarian assistance and disaster relief, as well as regional military presence operations. So there's an opportunity here. There's an opportunity for China to partner with the international community to address the types of challenges that we all face in the 21st century." – Deputy Assistant Secretary of Defense for East Asia David Helvey at a Pentagon press briefing on May 6

U.S.-CHINA RELATIONS

Congressional Hearing on Chinese Food Exports

On May 8, the House Foreign Affairs Subcommittee on Europe, Eurasia, and Emerging Threats held a hearing on "The Threat of China's Unsafe Consumables." Witnesses included: William Triplett, author and consultant, and former Chief Republican Counsel at the Senate Foreign Relations Committee; Patty Lovera, Assistant Director, Food & Water Watch; Mark Castel, Co-Founder, The Cornucopia Institute; and Sophie Richardson, China Director, Human Rights Watch. Subcommittee Rohrabacher (R-CA), said "While it has long been recognized that Chinese farms and factories produce dangerous goods with a disregard for public safety, not enough attention has been paid to China's export of contaminated and poisonous foods. Consumers around the world are at risk and a huge number have already been hurt. Yet, there are larger problems as well. China cuts corners and uses inferior ingredients to gain a cost advantage in world markets, threatening food security in developing countries and undermining the

competitiveness of American exports. Congress needs to address this challenge to protect those who might consume these dangerous products and to promote quality American goods that can successfully compete in world markets."

DOD Report on China's Military & Security Developments

On May 6, Deputy Assistant Secretary of Defense for East Asia David Helvey gave a press briefing on the "2013 DOD Report to Congress on Military and Security Developments Involving the People's Republic of China." The report is mandated by the National Defense Authorization Act, and is produced in partnership by the Office of the Secretary of Defense for Policy and the Defense Intelligence Agency, and coordinated with the Departments of State, Homeland Security, Energy, Commerce, Treasury, and the intelligence community and the national security staff. The transcript of the press briefing can be found [here](#).

TRADE

USTDA Workplace & Construction Safety Reverse Trade Mission with China

From June 15-25, 2013, the U.S. Trade Development Administration (USTDA) is funding a Reverse Trade Mission (RTM) that will familiarize 18 delegates from China's Ministry of Housing and Urban-Rural Development, the State Administration of Workplace Safety, the China Construction Industry Association, and the China Occupational Safety and Health Administration with U.S. technologies and best practices to enhance construction work environments, implement new effective fall prevention systems and technologies, and improve the work safety culture through education and training. The RTM will support China's efforts to reduce workplace injuries and fatalities. Locations for the RTM are New York City, Washington DC, Chicago, and Seattle. Information about meeting with the delegation can be found [here](#).

USTDA China Green Ports RTM with China

From July 13-26, the USTDA is funding the Green Ports Technologies RTM to bring 12 delegates representing China's maritime transportation sector to the U.S. to familiarize the delegates with U.S. technologies and industry best practices through site visits with U.S. public and private sector experts in the area of green port technologies. The RTM will also introduce the officials to U.S. firms that export technology, services and products that can assist China's development of infrastructure for: maritime operations and communications; environmental protection; emissions reductions; and energy efficiency. Locations for the RTM are Los Angeles, Houston, and Miami. Information about meeting with the delegation can be found [here](#).

USTDA HCP Professional Personnel Exchange Program RTM #1: Emergency Response

From July 7-19, USTDA is funding the HCP Professional Personnel Exchange Program, which will introduce Chinese health sector officials and project sponsors to U.S. health practices and technologies through a series of three RTMs to the U.S. in support of the U.S.-China Health Cooperation Program. The Exchange Program will support Chinese efforts to improve supply, quantity, and efficiency of health delivery in China, thus raising living standards and supporting economic growth. The first RTM will focus on health emergency management solutions. As part of the visit, USTDA is sponsoring 11 officials from China's National Health and Family Planning Commission (formerly Ministry of Health), provincial departments of health, and other relevant Chinese ministries to visit the U.S. The RTM will include visits to Washington, DC; Atlanta, Georgia; Chicago, Illinois; and possibly Boston, Massachusetts, in which members of the delegation will visit and meet with public and private sector experts on health emergency response standards, practices, and technology solutions. Information about meeting with the delegation can be found [here](#).

U.S.-China Aviation Summit

From September 9-11, USTDA is supporting the 6th U.S.-China Aviation Summit, a two and a half-day conference to be held in Beijing, China. The Summit will build upon themes from previous aviation events, with focus on key areas, including: air traffic management and safety, emissions reduction, air traffic control capacity and efficiency, general aviation, airport security, air navigation and communications systems, air cargo infrastructure and green airport development. The Summit will target up to 250 participants, including senior government officials from the United States and China, as well as representatives from the U.S. aviation industry. Information about participating can be found [here](#).

USITC to Expedite Review of Antidumping Order

On May 7, the U.S. International Trade Commission (USITC) voted to expedite its five-year sunset review concerning the antidumping order on sodium hexametaphosphate from China. As a result of the vote, the USITC will conduct an expedited review to determine whether revocation of this order would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.

ENERGY & ENVIRONMENT

ITER Letter Sent to GAO

On May 3, Senate Energy and Natural Resources Chairman Ron Wyden (D-OR) and Ranking Member Lisa Murkowski (R-AK), along with Senate Appropriations Subcommittee on Energy and Water Development Chairman Dianne Feinstein (D-CA) and Ranking Member Lamar Alexander (R-TN), sent a letter to the Government Accountability Office (GAO) requesting an investigation of the International Thermonuclear Experimental Reactor (ITER) and its impact on American fusion programs. ITER is a fusion research demonstration reactor that is currently being built in southern France. China, the European Union, India, Japan, Russia, South Korea, and the U.S. are the managers of the facility. The Senators asked the GAO to look into the cost, feasibility, and schedule of the ITER as well as whether the U.S. can delay or change its contribution to the project. The project was expected to be finished by 2017, but construction is now expected to be completed in 2020. The President's 2014 budget requested \$225 million in contributions to the facility; in FY12, the U.S. gave \$105 million.

Climate Talks

From April 29 to May 3, representatives from 176 countries attended the Second Session of the Ad-hoc Working Group on the Durban Platform for Enhanced Action, to finalize a 2015 global climate agreement so it can fully go into effect in 2020. Following the opening meeting, eight small group sessions were held. The Africa Group, the Arab Group, China, the European Union, the Group of 77, and Latin American countries called for ambitious action but did not offer up any suggestions that softened their current stances on post-2020 actions. The Group of Least Developed Countries (LDC) recently announced it would agree to comply with the emissions standards set up in these talks even though they are not obligated to fulfill them. In addition, talks emerged on the creation of a 2050 universal target for reductions of greenhouse gas emissions. It is unclear if the 2050 targets will be in addition to post-2020 targets or in place of these targets. Talks will continue with UNFCCC subsidiary bodies from June 3 to June 14.

MISCELLANEOUS

CECC Roundtable on Chinese Labor Centers

On May 9, the Congressional-Executive Commission on China will hold a roundtable titled "The End of Reeducation Through Labor? Recent Developments and Prospects for Reform." Panelists will include:

Ira Belkin, Executive Director, U.S.-Asia Law Institute, New York University School of Law; Margaret K. Lewis, Associate Professor of Law, Seton Hall Law School; Li Xiaorong, independent scholar; and Harry Wu, Founder and Executive Director, Laogai Research Foundation. The CECC, established by the U.S.-China Relations Act of 2000 as China prepared to enter the World Trade Organization, is mandated by law to monitor human rights, including worker rights, and the development of the rule of law in China.

USCC Report on China's 2012 Defense White Paper

On May 3, the U.S.-China Economic and Security Review Commission (USCC) released a report on "China's 2012 Defense White Paper: The Diversified Employment of China's Armed Forces." The biennial defense white paper was released by the Chinese State Council Information Office on April 16, and was approved by the Central Military Commission, the Ministry of National Defense, and the State Council, with input from the People's Liberation Army, the Chinese Communist Party, and organizations throughout the Chinese government. The USCC report can be found [here](#).

[Click here to view ML Strategies professionals.](#)
