

VII. The Second Artillery Force

The Second Artillery Force is a strategic force under the direct command and control of the CMC, and the core force of China for strategic deterrence. It is mainly responsible for deterring other countries from using nuclear weapons against China, and for conducting nuclear counterattacks and precision strikes with conventional missiles.

The Second Artillery Force sticks to China's policy of no first use of nuclear weapons, implements a self-defensive nuclear strategy, strictly follows the orders of the CMC, and takes it as its fundamental mission the protection of China from any nuclear attack. In peacetime the nuclear missile weapons of the Second Artillery Force are not aimed at any country. But if China comes under a nuclear threat, the nuclear missile force of the Second Artillery Force will go into a state of alert, and get ready for a nuclear counterattack to deter the enemy from using nuclear weapons against China. If China comes under a nuclear attack, the nuclear missile force of the Second Artillery Force will use nuclear missiles to launch a resolute counterattack against the enemy either independently or together with the nuclear forces of other services. The conventional missile force of the Second Artillery Force is charged mainly with the task of conducting medium- and long-range precision strikes against key strategic and operational targets of the enemy.

History of Development

The founding of the Second Artillery Force was a historical choice the People's Republic of China was forced to make to deal with nu-

clear threats, break nuclear monopoly and maintain national security. China began to develop strategic missile weapons in 1956, established research, training and educational institutions for strategic missiles in 1957, created its first ground-to-ground missile unit in 1959 and formally founded the Second Artillery Force on July 1, 1966. In the latter half of the 1970s, the Second Artillery Force set itself the objective of building a lean and effective strategic missile force with Chinese characteristics. In the 1990s it established its conventional missile force, entering a new stage marked by the coordinated development of its nuclear and conventional missile forces. With the advent of the 21st century it began to promote leapfrogging development of informationization. Through more than 40 years of development, the Second Artillery Force has grown into a lean and effective strategic force with both nuclear and conventional missiles, capable of both land-based strategic nuclear counterattacks and precision strikes with conventional missiles.

Structure and Organization

The operational command authority of the Second Artillery Force is highly centralized. The chain of command runs from the CMC, the Second Artillery Force and missile bases to missile brigades. The operations of the Second Artillery Force must follow the orders of the CMC in the strictest and most precise manner.

The Second Artillery Force is mainly composed of the nuclear missile force, the conventional missile force, the support force, educational institutions, research institutes and the headquarter organizations. The missile force is organized into missile bases, missile brigades and launch battalions. The support force is organized into technical and specialized support units such as reconnaissance, intelligence, signal, ECM, engineering, logistics and equipment units. The educational institutions include a command college, an engineering college and a

school for NCOs. The research institutes include equipment and engineering institutes.

Force Building

Following the principle of building a lean and effective force and going with the tide of the development of military science and technology, the Second Artillery Force strives to raise the informationization level of its weaponry and equipment, ensure their safety and reliability, and enhance its capabilities in protection, rapid reaction, penetration, damage and precision strike. After several decades of development, it has created a weaponry and equipment system with both nuclear and conventional missiles, both solid-fueled and liquid-fueled missiles, different launching ranges and different types of warheads.

The Second Artillery Force is endeavoring to form a complete system for war preparations, optimize its combat force structure, and build a missile operational system suited to informationized warfare. Its nuclear and conventional missile forces are kept at an appropriate level of readiness. The Second Artillery Force is making steady headway in the construction of its battlefield system, and makes extensive use of modern mechanical equipment and construction methods. Each completed project is up to standard. The Second Artillery Force is also dedicated to logistical reforms and innovations. It has created integrated data bases for field support and informationized management platforms for logistic materials, and improved support systems for the survival of combatants in operational positions. As a result, its integrated logistical support capabilities in case of actual combat have been markedly enhanced. To ensure the absolute safety of nuclear weapons, the Second Artillery Force strictly implements rules and regulations for nuclear safety control and accreditation of personnel dealing with nuclear weapons, has adopted reliable technical means and methods, strengthens the safe management of nuclear weapons in

the process of storage, transportation and training, improves mechanisms and methods for emergency response to nuclear accidents, and has put in place special safety measures to avoid unauthorized and accidental launches.

In terms of training, the Second Artillery Force takes specialized skills as the foundation, focuses on officers and core personnel, centers its attention on systems integration and aims at improving overall operational capabilities. It actively conducts specialized training, integrated training and operational training exercises. Specialized training mainly involves the study of basic and specialized missile theories, and the training in operating skills of weapons and equipment. Integrated training mainly consists of whole-process coordinated training of all elements within a combat formation. Operational training exercises refer to comprehensive training and exercises by missile brigades and support units in conditions similar to actual combat. The Second Artillery Force has adopted a rating system for unit training and an accreditation system for personnel at critical posts. It enhances on-base, simulated, web-based and realistic training, explores the characteristics and laws of training in complex electromagnetic environments and integrated training of missile bases, and is conducting R&D of a new generation of web-based simulated training systems. Significant progress has been made in building the “Informationized Blue Force” and battle laboratories.

The Second Artillery Force places personnel training in a strategic position, and gives it high priority. It is working to implement the Shenjian Project for Personnel Training, and create a three-tiered team of first-rate technical personnel. As a result, a contingent of talented people has taken shape, whose main body is composed of academicians of the Chinese Academy of Engineering, missile specialists, commanding officers, and skilled operators and technicians.

VIII. The People's Armed Police Force

As a component of China's armed forces and subordinate to the State Council, the People's Armed Police Force (PAPF) is under the dual leadership of the State Council and the CMC. The PAPF consists of the internal security force and various police forces. The border public security, firefighting and security guard forces are also components of the PAPF. The PAPF is charged with the fundamental task of safeguarding national security, maintaining social stability and ensuring that the people live and work in peace and contentment.

Routine Guard Duties

Routine guard duties refer to duties the PAPF performs to maintain internal security, which are mostly carried out by the internal security force. The basic tasks are: to guard against all forms of attempted attacks and sabotage; protect designated individuals and facilities; ensure the security of important international and national conferences and large-scale cultural and sports events; protect important airports, radio stations, and key and confidential units, and vital places in such sectors as state economy and national defense; protect important bridges and tunnels; ensure the security of prisons and detention houses; and maintain public order in state-designated large and medium-sized cities or specific zones. Routine guard duties can be divided into regular and temporary missions. Usually the regular missions are assigned by the Ministry of Public Security, and the temporary ones are assigned by local Party committees, governments or public security organs.

Every day, more than 260,000 PAPF servicemen are on guard duty. In recent years, the PAPF has made efforts to regularize and strictly manage the performance of its duties, and improve it through science and technology, including improvement of duty-related facilities, and reduce hidden hazards. It has realized all-personnel, whole-process, full-time visualization in duty management. It has effectively enhanced duty performance and ensured the safety of guarded targets by optimizing duty organization and arrangement, implementing duty regulations and meticulously organizing important temporary duties. On average, the PAPF annually handles dozens of attempted attacks against guarded targets, prevents hundreds of escape attempts by detained suspects and imprisoned convicts, organizes thousands of important temporary duties, and ensures the security of important international and national conferences and large-scale events in cooperation with the government departments concerned. The various units of the PAPF take an active part in efforts to keep public order. Since 2007, they have assisted the public security organs in catching and arresting more than 2,800 criminal suspects.

Handling Public Emergencies

The handling of public emergencies refers to operations by the PAPF to deter and deal with emergencies which endanger public security. Mainly undertaken by the PAPF standby forces, such operations include those to handle public security incidents, natural disasters, disastrous accidents, and public health incidents. The specific tasks are to control affected areas, check the identifications, vehicles and belongings of suspected persons, protect important targets, disperse illegal assemblies, rescue hostages and those trapped by troublemakers, nip illegal activities and criminal offenses in the bud, hunt down criminal suspects, and participate in emergency rescue and disaster relief work.

The PAPF is the state's mainstay and shock force in handling public emergencies. The PAPF is assigned such missions by the CPC Central Committee, the State Council, the CMC or local Party committees, governments and public security organs, and carries out these missions under the unified leadership of the above authorities.

The PAPF makes full preparations for handling public emergencies by establishing all levels of command centers, improving information systems, allocating resources scientifically, and providing communications, supplies and transportation in a reliable way. On receiving mission orders, it is able to deploy immediately and arrive at the scene in time. It adopts such means and methods as military deterrence, persuasion and legitimate use of force. It always exercises caution in the use of force, compulsory measures, police instruments and weapons. It cracks down on a handful of criminals in accordance with the law and deals with public disturbances, riots, illegal demonstrations, group fighting with weapons, acts of violence and terrorism efficiently, appropriately and legally. In the past two years it has taken part in operations to handle the "3.14" Lhasa riots, hunt down the "East Turkistan" terrorists, conduct accident rescues, deal with large-scale mass disturbances, and respond to various emergencies. In this way it has effectively upheld the fundamental interests of the people, maintained the social stability of the places where its forces are stationed and safeguarded the authority of the nation's laws.

International Counter-Terrorism Cooperation

China attaches great importance to international counter-terrorism cooperation, and so far has participated in 11 international counter-terrorism treaties. The PAPF is an important counter-terrorism force of the state.

Strengthening international counter-terrorism consultations and exchanges. In compliance with international counter-terrorism treaties

and agreements, the PAPF has sent delegations to over 30 countries for bilateral or multilateral counter-terrorism exchanges, including France, Germany, Spain, Italy, Australia, Israel, Brazil, Cuba, South Africa, Russia and Pakistan, and hosted delegations from 17 countries, such as Russia, Romania, France, Italy, Hungary, South Africa, Egypt, Australia and Belarus.

Sending personnel abroad to receive training or provide training assistance. The PAPF has sent delegations or personnel to a dozen countries, including France, Israel, Hungary, Singapore, Malaysia and Thailand, to attend training courses in special duties, participate in or observe contests of various kinds, and conduct exchanges in counter-terrorism techniques and skills. It has sent teams of instructors to such countries as Romania and Azerbaijan to provide teaching or training assistance.

Holding joint counter-terrorism exercises. In September 2007, the PAPF and the Internal Troops of Russia staged their first joint counter-terrorism exercise, “Cooperation-2007.” The exercise focused on “operations by special forces to rescue hostages and destroy terrorist organizations and groups.”

Maintaining Public Security in Border and Coastal Areas and Orderly Entry and Exit at Ports

The border public security force, listed as a component of the PAPF, is an armed law-enforcement body deployed by the state in border and coastal areas and at ports. Its main responsibilities are as follows: border and coastal public security administration; ports and border inspection and surveillance; patrols and surveillance in areas adjacent to Hong Kong and Macao; patrols and surveillance along the demarcation line of the Beibu Gulf; and the prevention of and crackdown on illegal and criminal acts in border and coastal areas, such as illegal border crossing, smuggling and drug trafficking.

The border public security force has 30 contingents in provinces (autonomous regions or municipalities directly under the central government, except Beijing); 110 detachments in border and coastal prefectures (prefecture-level cities, autonomous prefectures or leagues) and 20 marine police detachments in coastal prefectures; 207 active-duty border inspection stations at open ports; 310 groups in border and coastal counties (county-level cities or banners); 1,691 border police substations in border and coastal townships (towns); 46 frontier inspection stations on major border routes; and 113 mobile groups deployed in important sectors in border areas.

In recent years the border public security force has made efforts to implement the strategy of safeguarding the people and consolidating border defense; strengthen public security efforts by the general public; improve mechanisms for investigating, mediating and settling disputes, conflicts and mass incidents; tackle prominent public security issues; promote the building of model villages and consolidate border defense; and help children in need, thus vigorously promoting harmony and stability in border and coastal areas. Further efforts have been made by border inspection stations to improve their services. As a result, an environment has been created for safe, rapid and convenient customs clearance.

The border public security force, supported by other relevant departments, has cracked down hard on crimes, such as illegal border crossing, drug trafficking and smuggling, and carried out campaigns to combat organized criminal gangs and suppress evil forces in border and coastal areas. Since 2007 it has arrested 4,400 illegal border crossers, seized 3,806 kg of drugs, seized smuggled goods worth RMB620 million, cracked 19,205 criminal cases and handled 60,063 violations of public security.

Pursuant to relevant provisions of the Ministry of Public Security, the marine police force has established and strengthened maritime law-enforcement agencies, augmented its law-enforcement personnel,

refined its law-enforcement regulations, and improved its ships and equipment. It has cracked 41 maritime criminal cases, carried out 115 maritime rescue and salvage operations, and saved 238 people in distress.

IX. National Defense Reserve Buildup

China firmly relies on the people for national defense, and seeks to strengthen the buildup of the national defense reserve in compliance with the requirement of being able to deal with both emergencies and wars.

Reserve Force Buildup

With active servicemen as its backbone and reserve officers and men as its foundation, the reserve force is an armed force formed in line with the unified structure and organization of the PLA. It is under the dual leadership of the PLA and local Party committees and governments.

The reserve force was founded in 1983. In August 1986 it formally became a part of the PLA. In May 1995 the NPC Standing Committee adopted the *Law of the People's Republic of China on Reserve Officers*. In April 1996 the CMC began to confer military ranks on reserve officers. The *Law of the People's Republic of China on National Defense* promulgated in March 1997 explicitly stipulates that China's armed forces consist of the active-duty force and the reserve force of the PLA, the People's Armed Police Force and the militia.

After 25 years of buildup and development, the reserve force has become an important component of the national defense reserve. It is made up of the Army Reserve, Navy Reserve, Air Force Reserve and the Second Artillery Force Reserve. The Army Reserve breaks down into infantry, artillery, antiaircraft artillery, antitank artillery, tank, engineering, chemical defense, signals, coastal defense and other specialized forces. The Navy Reserve is mainly composed of reconnaissance,

mine-sweeping and mine-laying, radar observation and communications and other specialized forces. The Air Force Reserve mainly comprises ground-to-air missile, radar and other specialized forces. The Second Artillery Force Reserve mainly consists of the specialized missile support force and special equipment maintenance force.

In line with the unified structure and organization of the PLA, the reserve force has reserve divisions, brigades and regiments, and corresponding leading organs. Reserve units are organized mainly on a regional basis. Divisions are set up in provinces and brigades (regiments) in prefectures (autonomous prefectures or prefecture-level cities). A division (brigade) can be set up in a region covering more than one prefecture (autonomous prefecture or prefecture-level city), and a regiment in a region covering more than one county (county-level city or district).

In recent years, the reserve force has made new strides in organization building and military training. It has gradually enlarged the pool of reservists, improved its organizational methods, and actively explored new organizational models, such as industrial, trans-regional and community-based organizations. It conducts and manages training according to the training program and law, so as to regularize training. As stipulated in the *Outline for the Military Training and Evaluation of the Reserve Force*, one third of the authorized strength of a unit must undergo 30 days of training annually. Training tasks are based on possible wartime assignments and the caliber of the reservists. The reserve force is in the process of shifting its focus from quantity and scale to quality and efficiency, and from a combat role to a support role. The goal is to enable the reserve and active forces to cooperate closely with each other, to complement each other, and to develop in a coordinated way.

Militia Force Building

Militia work is under the unified leadership of the State Council

and the CMC, and the leadership of local Party committees, local governments as well as the local military commands. The General Staff Headquarters supervises militia work nationwide. The military area commands are responsible for militia work in their respective jurisdictions. Provincial military commands, prefectural military commands and people's armed forces departments of counties (county-level cities or districts) are the organs of military leadership and command, and responsible for the militia work in their respective jurisdictions. The grass-roots people's armed forces departments established in townships (towns), urban sub-districts, enterprises and public institutions are responsible for organizing and carrying out militia work. Local Party committees and governments at all levels make overall plans and arrangements for militia work.

In recent years China has persisted in reform and innovation in militia force buildup, adjusted its size and structure, and upgraded its weaponry and equipment. The organizational structure has optimized to increase the capabilities of the militia to support combat and emergency response forces, and to gradually shift the center of its responsibilities from rural areas to cities, areas along communication lines and other key areas. Importance has been attached to establishing militia organizations in emerging enterprises and high-tech industries to increase the technology content of the militia force. Investment in weaponry and equipment has been increased to systematically and organically provide a series of new types of militia air defense equipment such as air defense artillery and portable air defense missiles in key areas. Equipment for emergency response and stability-maintenance operations has been improved. Some types of weapons have been upgraded. During the Eleventh Five-Year Plan period (2006-2010) the number of militia personnel is scheduled to be reduced from 10 million to eight million.

In May 2007 the General Staff Headquarters released a new edition of the *Outline for the Training and Evaluation of the Militia*. The new

outline adds over a hundred training tasks in dozens of categories covering specialties of the Navy, Air Force and Second Artillery Force, marking a shift from traditional single-service to multi-service/arm specialized militia training. Based on the principles of integrating resources, pooling strengths, organizing training level by level and conducting trans-regional training, the military training of the militia has a four-level organizational system: The provincial military commands are the backbone; the prefectural military commands are the main body; the people's armed forces departments are the basis; and the grass-roots people's armed forces departments are the supplement. The militia is improving its technology-based training, and promoting on-base, simulated and web-based training step by step. Prominence is given to such tasks as rapid mobilization of specialized detachments, coordination with active units and operations in complex electromagnetic environments. In addition, efforts are being made to enhance training in emergency response and rescue. The aim is to raise the militia's capabilities in combat operations, emergency rescue, disaster relief, crisis response and social stability maintenance.

X. The Armed Forces and the People

The Chinese armed forces belong to the people. As stipulated by the Constitution and laws, it is an important task for the armed forces to take part in national development and disaster relief. Supporting the military and giving preferential treatment to families of servicemen and revolutionary martyrs, and supporting the government and cherishing the people (the “Two Supports”) constitute the political basis for strengthening the buildup of national defense and the armed forces.

Participating in Emergency Rescue and Disaster Relief Operations

The PLA, PAPF and the militia are the shock force in emergency rescue and disaster relief operations. Their main tasks are to rescue and evacuate disaster victims and people in danger; ensure the security of important facilities and areas; rescue and transport important materials and goods; participate in specialized operations such as rush repairs of roads, bridges and tunnels, maritime search and rescue, NBC rescue operations, epidemic control, and medical aid; eliminate or control other major dangers and disasters; and assist local governments in post-disaster reconstruction if necessary. In recent years the PLA has formed 19 units specialized in flood control and emergency rescue operations.

In June 2005 the State Council and the CMC published the *Regulations on the Participation of the People’s Liberation Army in Emergency Rescue and Disaster Relief*. According to the regulations, if the

PLA is needed in emergency rescue and disaster relief operations organized by the State Council, the department of the State Council in charge of the operations may file a request to the General Staff Headquarters. If the PLA is needed in such operations organized by the people's governments at or above the county level, the latter may file a request via local military organs at the corresponding level. However, in case of emergency the local people's governments may directly request PLA units stationed in the area to provide assistance, and the latter must take immediate action and simultaneously report to the higher authorities, according to the regulations. Upon detecting any hazard or disaster, local PLA units must also take immediate action and simultaneously report to the higher authorities. PLA units come under the unified leadership of the people's government when participating in local emergency rescue and disaster relief operations. Their specific tasks are assigned by the headquarters for the operations, while their actions are directed through the military chain of command. In November 2006 the CMC approved and issued the *Master Scenario for Emergency Response*.

In the past two years the PLA and the PAPF have dispatched a total of 600,000 troops/time, employed 630,000 vehicles (or machines)/time of various types, flown over 6,500 sorties/time (including the use of helicopters), mobilized 1.39 million militiamen and reservists/time, participated in over 130 disaster relief operations in cases of floods, earthquakes, snowstorms, typhoons and fires, and rescued or evacuated a total of 10 million people.

In January 2008 large areas of southern China were stricken by a savage spell of freezing weather, sleet and snowstorms. The PLA and the PAPF sent 224,000 troops and 1.036 million militiamen and reservists, and flew 226 sorties/time (using military transport aircraft and helicopters) to undertake urgent, difficult, dangerous and heavy tasks, such as clearing major lines of communication, rescuing victims and restoring power supply.

On May 12, 2008 an earthquake measuring 8.0 on the Richter scale rocked Wenchuan County, Sichuan Province. In response, the PLA and the PAPF deployed 146,000 troops, mobilized 75,000 militiamen and reservists, flew over 4,700 sorties/time (including the use of helicopters) and employed 533,000 vehicles/time in the relief effort. They rescued 3,338 survivors, evacuated 1.4 million local residents, and transported, airlifted and air-dropped 1.574 million tons of relief materials. They sent 210 teams of medical workers, psychotherapists, and sanitation and epidemic prevention specialists, and treated 1.367 million injured people. The troops strictly observed discipline, and kept detailed records of hundreds of millions of *yuan* in cash and large quantities of valuables recovered from the debris, all of which was handed over to the owners or relevant departments of local governments.

Participating in Olympic Security Work and Supporting the Preparations for the Olympics

At the request of the Beijing Organizing Committee for the Games of the XXIX Olympiad, the PLA and the PAPF actively participated in Olympic security work, and supported preparations for the Olympics and Paralympics, making important contributions to the success of the events.

In security work for the Olympics, the main responsibilities of the PLA were to ensure the air security of venues in and outside Beijing and the maritime security of Olympic venues in coastal and neighboring areas; take part in the handling of terrorist incidents such as NBC (nuclear, biological, and chemical) terrorist attacks and explosions; provide intelligence support; organize emergency rescue, medical aid and helicopter transportation; and strengthen border administration and control during the Olympics. The PLA contributed 46,000 troops, 98 fixed-wing aircraft, 60 helicopters, 63 ships, and some ground-to-air missiles, and radar, chemical defense and engineering support equipment. The PAPF was mainly responsible for ensuring the security of

the torch relay; guarding Olympic venues, VIP residences and relevant airports; carrying out guard duties for the opening and closing ceremonies, the activities of important foreign guests in China and major sports events; protecting water, power, oil and gas supply facilities and communication hubs closely related to the Olympics as well as the launching sites of rockets used for artificial rainfall control in Beijing, Tianjin and Hebei; acting in collaboration with public security organs to set up checkpoints in the neighborhood of Olympic venues and on major roads in the vicinity of Beijing, and to perform armed patrols in important public places in cities hosting or co-hosting the Olympics; conducting security checks at Olympic venues; and executing counter-terrorism, anti-hijacking and contingency response operations. The PAPF contributed 85,000 troops to Olympic security work, appropriately handled nearly 300 incidents which might have endangered guarded targets, and confiscated over 9,000 prohibited items and over 140,000 limited items.

To support the preparations for the Olympics, the PLA and the PAPF contributed over 14,000 professional and amateur performers to the opening and closing ceremonies of the Olympics and Paralympics. Over 6,900 volunteers from the PLA and the PAPF undertook 84 kinds of support tasks, including transport support, flag raising at medal presentation ceremonies, medical aid and various services at Olympic venues. PLA and PAPF units stationed in Beijing mobilized 670,000 troops/time to take part in the construction of 36 key Olympic projects, such as the Aviation Corridor of the Beijing Capital International Airport and the National Olympic Forest Park.

Participating in and Supporting National Construction

Under the unified arrangement of the Central People's Government and local people's governments at all levels, the PLA and the PAPF actively participate in all aspects of national construction. In the past two

years they have put over 14 million workdays and one million vehicles (or machines)/time into this endeavor.

Providing aid for construction of infrastructure and ecological projects. The PLA and the PAPF have supported over 200 key construction projects for energy, transportation, hydropower and communications. They have taken part in over 170 projects for the protection of the ecological environment at such places as the upper and middle reaches of the Yellow River and sources of sandstorms affecting Beijing and Tianjin. They have afforested three million *mu* (one *mu* is about 700 sq m) of barren hills, waste land and desolate beaches, and provided aerial protection and maintenance for 24 million *mu* of forests.

Participating in the building of a new countryside. The PLA and the PAPF provide support for the construction of irrigation and water-conservancy works and rural infrastructure. They have built or repaired over 2,100 roads in poverty-stricken rural areas, and completed over 90,000 small construction projects such as rural hydropower projects, drinking water projects for both people and livestock, and projects for the improvement of small river valley areas. They have also set up or consolidated 25,000 places of contact for poverty reduction, and helped over 80,000 households out of poverty.

Supporting scientific and technological, educational, cultural and health undertakings. The PLA and the PAPF have helped to train nearly 10,000 people in various skills, and set up 240 science and technology demonstration centers. They have built over 200 primary and secondary schools, and helped 240,000 poor students complete their schooling. They have established long-term assistance relations with 470 county or township hospitals in poverty-stricken areas, and dispatched 13,000 medical teams offering free medical consultation and treatment in 41 million cases.

Supporting the economic and social development of areas inhabited by ethnic minorities. The PLA and the PAPF have helped to build

or enlarge three airports, five power stations and 12 water conservancy facilities; repair over 900 km of highways; dig 300 wells; and build a total of 6,000 small rainwater cellars, small power stations, solar energy installations and TV transmission facilities.

Supporting National Defense and Armed Forces Modernization

Governments at all levels put great importance on providing support for the modernization of the armed forces in science and technology, information, human resources, education and culture. Local governments and military units jointly organize meetings on military issues, work concerning the “Two Supports” and informal discussions, in order to help the units overcome difficulties in military training, infrastructure building and the maintenance of servicemen’s rights and interests. When the units engage in major tasks such as training exercises, emergency rescue and disaster relief, the local governments and people will surmount all difficulties and provide support for their assembly, movement, and rescue and relief efforts. Conducting widespread activities to support the armed forces in science and technology, and education and culture, local governments and people all over the country have set up over 2,000 centers of science and technology, helped to train people on 100,000 occasions in various skills and donated 20 million books. Governments at all levels make proper arrangements for the resettlement of servicemen discharged from active service, their dependents, retirees and civilians working in the armed forces, and take good care of those entitled to compensation and preferential treatment. In the past two years, governments at all levels have made over 500 relevant national and local policies and regulations, and resettled over 100,000 officers transferred to civilian work, over 500,000 demobilized enlisted men, and over 60,000 retired officers and civilians working in the armed forces.

XI. Science, Technology and Industry for National Defense

China is accelerating reform and innovation in its defense-related science, technology and industry, promoting strategic and specialization-oriented restructuring of defense industry enterprises, enhancing the capabilities of independent innovation in the R&D of weaponry and equipment, and striving to establish a new system of defense-related science, technology and industry which caters to both military and civilian needs, and channels military potential to civilian use.

Promoting Innovation in Structures and Mechanisms

To meet the needs of weaponry and equipment development, as well as development of the socialist market economy, China is constantly reforming its management system of defense-related science, technology and industry. According to the *Plan for Restructuring the State Council* passed by the First Session of the Eleventh National People's Congress in 2008, the Science, Technology and Industry Commission for National Defense of the People's Republic of China has been superseded by the State Administration of Science, Technology and Industry for National Defense.

In 2007, the State Council approved *Some Opinions on Deepening the Reform of the Investment System of Science, Technology and Industry for National Defense*, which explicitly proposes a new investment system featuring effective government regulation and control, participation of social capital, standardized intermediary services, vig-

orous supervision and management, and positive military-civilian interaction. As a result, an open development pattern for defense-related science, technology and industry is taking shape. The investment field has been further broadened, and investment structure further optimized. Ways of investment have been diversified to include not only direct investment, but also injection of capital and investment subsidies.

China is speeding up the transformation of the structures and mechanisms of the defense industry enterprises, and is in the initial stage of establishing a new system of defense-related science, technology and industry that features a small core, extensive cooperation and a large military potential reserve among civilians. Structural contradictions in defense-related science, technology and industry have been gradually and fundamentally solved through strategic restructuring and the streamlining of the main body of the defense industry. China is steadily promoting the transformation of defense industry enterprises into joint-stock enterprises, actively exploring approaches to diversifying the structure of property rights, giving priority on helping qualified competitive enterprises to be reorganized and listed on the stock market, and encouraging specialization-oriented restructuring and the integration of the efforts of enterprises, universities and research institutes. Relevant laws and regulations have been improved to standardize and supervise the process of reorganizing the defense industry enterprises and getting them listed on the stock market.

Improving the Weaponry and Equipment Research and Production System

Establishing a sound licensing system for weaponry and equipment research and production. In accordance with the *Implementation Measures for Weaponry and Equipment Research and Production Licensing* promulgated in May 2005, the defense-related science, technology and industry has adopted a licensing system for

weaponry and equipment research and production featuring management of categorization. While maintaining state control over weaponry and equipment research and production, the document allows the non-public sector to enter this field and compete for research and production projects. In March 2008 the State Council and the CMC issued the *Regulations on the Licensing Administration of Weaponry and Equipment Research and Production*, further improving the system.

Enhancing the basic capabilities of weaponry and equipment research and production. Defense-related science, technology and industry are striving to enhance the informationization of weaponry and equipment design and development, and to render product design more digitalized, modularized, standardized and reliable. It has built digital simulation and hardware-in-the-loop (HIL) simulation facilities and a number of important advanced experimentation and demonstration facilities, which has resulted in a higher design capability and R&D success rate.

This sector has also increased final assembly and integration capabilities, and a number of key enterprises have realized systems integration of assembly, experimentation and testing. This has substantially raised core manufacturing capabilities by giving priority to resolving processing and technical issues in complex parts processing, precision manufacturing and special welding. In addition, a number of large-scale basic experimentation facilities serving the entire industry have been constructed, as well as specialized testing and experimentation centers for reliability testing and burn-in screening of components and parts, and improved measures, standards and other basic support conditions for defense industries have been put in place. With the improvement of basic capabilities, a leapfrogging development in the ability to provide weaponry and equipment has been achieved.

Building a dynamic innovation system for defense-related science, technology and industry. The government has taken the lead to create a favorable environment for innovation and guide innovation activities

through policies and investments. With the research institutes and enterprises of the defense industry as the backbone and with institutes for basic research and institutions of higher learning as a vital new force, China is giving full play to the advantages of integrating enterprises, universities and research institutes, and making efforts to increase its capability for independent innovation in defense-related science, technology and industry. To consolidate the foundation of human resources for the innovative development of defense-related science, technology and industry, both the national major projects of science and technology and important projects for defense scientific research and weaponry and equipment R&D have been taken as platforms to identify, cultivate, employ and attract talented people.

Enhancing Cooperation with Other Countries

Following the principles of mutual benefit and common development, China is conducting cooperation with foreign countries in defense-related science, technology and industry. It emphasizes exchanges and cooperation with developed countries in defense industry technology to draw on their experience in technological development and management. It enhances mutually beneficial cooperation with developing countries, and engages in joint R&D and production in major cooperative projects, in accordance with the national conditions and specific requirements of the partners. On the export of military items, it adheres to the following principles: It should only serve the purpose of helping the recipient state enhance its capability for legitimate self-defense; it must not impair peace, security and stability of the relevant region or the world as a whole; and it must not be used to interfere in the recipient state's internal affairs.

China's defense-related science, technology and industry actively conduct cooperation with other countries in the field of hi-tech industries, combining military and civilian needs, and makes great efforts to

develop hi-tech civilian products with high added value. Major breakthroughs have been made in developing the international market for space products. China has exported its first satellite; and the earth resources satellite project with Brazil has played an important role in both countries' economic development. China has significantly enhanced its cooperation with other countries in aviation products and technologies, and made new headway in developing the international market for civil aircraft. China's shipbuilding industry has exported products for civil use in series and batches, further increasing its share in the international market for such products.

XII. Defense Expenditure

Guided by the principle that defense expenditure should grow in line with the demands of national defense and economic development, the Chinese government decides on the size of defense expenditure in an appropriate way, and takes a road of national defense and armed forces modernization featuring lower cost and higher efficiency.

In the past three decades of reform and opening up, China has insisted that defense development should be both subordinated to and in the service of the country's overall economic development, and that the former should be coordinated with the latter. As a result, defense expenditure has always been kept at a reasonable and appropriate level. From 1978 to 1987, as the nation shifted its focus to economic development, national defense received a low input and was in a state of bare sustenance. During this period the average annual increase of defense expenditure was 3.5 percent, while that of GDP was 14.1 percent and that of the state financial expenditure was 10.4 percent. The shares of China's annual defense expenditure in its GDP and in the state financial expenditure dropped respectively from 4.6 percent and 14.96 percent in 1978 to 1.74 percent and 9.27 percent in 1987. From 1988 to 1997, to make up for the inadequacy of defense development and maintain national security and unity, China gradually increased its defense expenditure on the basis of its sustained economic growth. During this period the average annual increase of defense expenditure was 14.5 percent while that of GDP was 20.7 percent and that of the state financial expenditure was 15.1 percent. The shares of China's annual defense expenditure in its GDP and in the state financial expenditure continued to drop. From 1998 to 2007, to maintain national security

and development and meet the requirements of the RMA with Chinese characteristics, China continued to increase its defense expenditure steadily on the basis of its rapid economic growth. During this period, the average annual increase of defense expenditure was 15.9 percent, while that of GDP was 12.5 percent and that of the state financial expenditure was 18.4 percent. Although the share of China's defense expenditure in its GDP increased, that in the state financial expenditure continued to drop on the whole.

China's GDP was RMB21,192.3 billion in 2006 and RMB25,730.6 billion in 2007. The state financial expenditure was RMB4,042.273 billion in 2006 and RMB4,978.135 billion in 2007, up 19.1 percent and 23.2 percent respectively over the previous year. China's defense expenditure was RMB297.938 billion in 2006 and RMB355.491 billion in 2007, up 20.4 percent and 19.3 percent respectively over the previous year. The shares of China's annual defense expenditure in its GDP and in the state financial expenditure in 2006 were roughly the same as those in 2007, being 1.41 percent and 7.37 percent in 2006 and 1.38 percent and 7.14 percent in 2007. China's defense expenditure mainly comprises expenses for personnel, training and maintenance, and equipment. Expenses for personnel and training and maintenance account for two thirds of the defense expenditure. In 2007, the defense expenditure was used to cover the expenses of the active force (RMB343.439 billion), the reserve force (RMB3.693 billion) and the militia (RMB8.359 billion). China's defense budget for 2008 is RMB417.769 billion.

Chart 1: China's Defense Expenditure in 2007 (unit: RMB billion)

	Active Force	Reserve Force	Militia	Total	
				Amount	Percentage
Personnel	118.971	1.044	0	120.015	33.76
Training & Maintenance	112.268	1.515	7.258	121.042	34.05
Equipment	112.200	1.134	1.100	114.434	32.19
Total	343.439	3.693	8.359	355.491	100.00

Note: Personnel expenses mainly cover the salaries, allowances, food, bedding and clothing, insurance and welfare benefits for officers, NCOs, enlisted men and contracted civilians, as well as pension for the disabled or the family of the deceased. Training and maintenance expenses cover troop training, institutional education, construction and maintenance of various undertakings. Equipment expenses mainly cover R&D, experimentation, procurement, maintenance, transportation and storage of weaponry and equipment.

In the past two years, the increased part of China's defense expenditure has primarily been used for the following purposes: (1) Increasing the salaries and benefits of servicemen. Along with the rise of the income of civil servants and the living standards of both urban and rural residents, China has increased the relevant allowances and subsidies of servicemen to ensure the parallel improvement of their living standards. (2) Compensating for price rises. With the rise of the prices of food, building materials, fuel, etc., China has accordingly increased the boarding subsidies and other funds closely related to servicemen's life as well as the expenses on education, training, petroleum, oils and lubricants for the armed forces, and improved the working and living conditions of border and coastal defense forces, units in remote and tough areas, and grass-roots units. (3) Pushing forward the RMA. China has augmented the input into military informationization and moderately increased the funds for equipment and supporting facilities, so as to raise the defense capabilities in conditions of informationization.

Both the total amount and per-service-person share of China's defense expenditure remain lower than those of some major powers. In 2007 China's defense expenditure equaled 7.51 percent of that of the United States, 62.43 percent of that of the United Kingdom. China's defense expenses per service person amounted to 4.49 percent of that of the United States, 11.3 percent of that of Japan, 5.31 percent of that of the United Kingdom, 15.76 percent of that of France and 14.33 percent of that of Germany. As for the share of defense expenditure in GDP,

that of China was merely 1.38 percent, while that of the United States was 4.5 percent, that of the United Kingdom 2.7 percent, and that of France 1.92 percent.

**Chart 2: Comparison of Defense Expenditures of Some Countries in 2007
(unit: US\$ billion)**

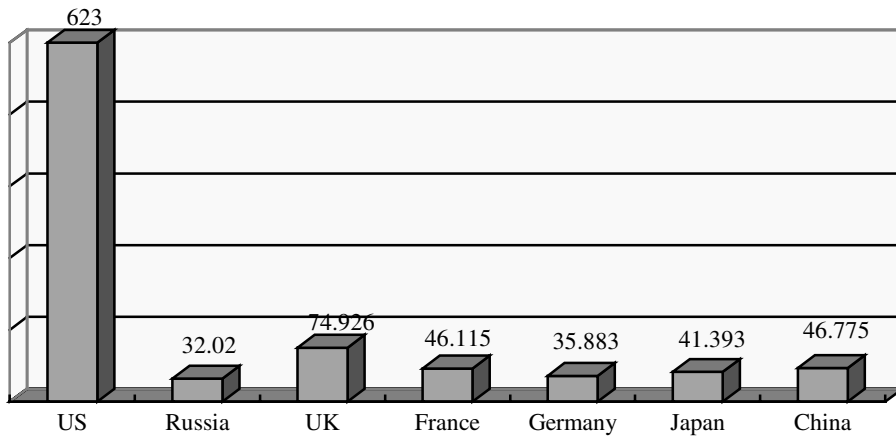


Chart 3: Comparison of Percentages of Defense Expenditures in the GDP of Some Countries in 2007 (%)

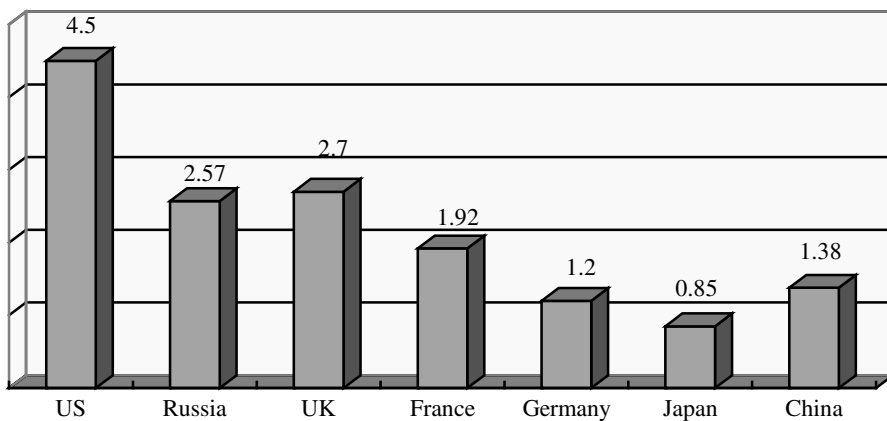
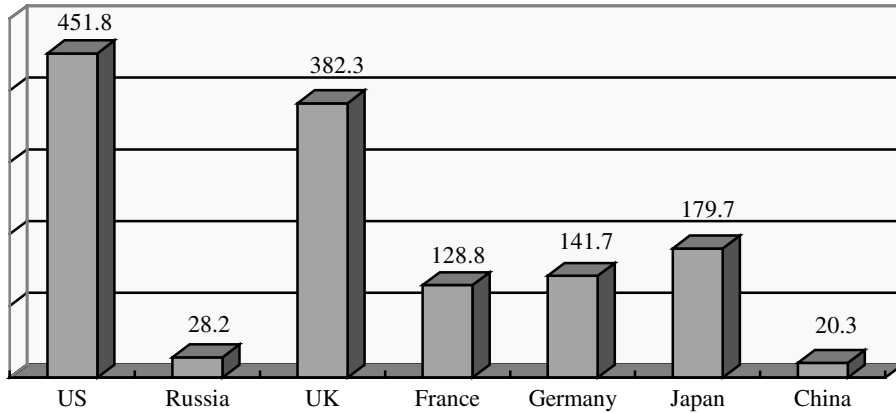


Chart 4: Comparison of Per-Service-Person Share of Defense Expenditure of Some Countries in 2007 (unit: US\$ 1,000)



The Chinese government has established defense expenditure reporting and publishing mechanisms. Since 1978 the Chinese government has submitted a financial budget report to the NPC and published the total amount of the defense budget each year. The relevant data of China's defense expenditure has been made public in the *China Economy Yearbook* since 1981, and in the *China Finance Yearbook* since 1992. And since 1995 the composition and main purposes of China's defense expenditure have been published in the form of government white papers.

XIII. International Security Cooperation

China persists in developing friendly relations, enhancing political mutual trust, conducting security cooperation and maintaining common security with all countries on the basis of the Five Principles of Peaceful Coexistence.

Regional Security Cooperation

The Chinese government is actively involved in multilateral cooperation within the framework of the Shanghai Cooperation Organization (SCO). At the Bishkek Summit in August 2007 the SCO member states concluded the *Treaty on Long-Term Good-Neighborly Relations, Friendship and Cooperation*, laying a solid political and legal foundation for security cooperation and ushering in a new phase of political mutual trust among the member states. Over the past two years, the member states have also signed the *Agreement on Conducting Joint Military Exercises*, the *Agreement on Cooperation of Defense Ministries* and the *Agreement of SCO Governments on Cooperation in Combating the Illegal Circulation of Weapons, Ammunition and Explosives*, finalized such legal documents as the *Agreement on the Training of Counter-Terrorism Professionals*, and launched cooperation in such new areas as information security by formulating the *Action Plan to Ensure International Information Security*. Procurators-general, heads of supreme courts, defense ministers, and leaders of law enforcement and security agencies from the member states have held meetings, deepening cooperation in the justice, defense, law enforcement, security and other fields.

China attaches great importance to the ASEAN Regional Forum (ARF). At the 14th ARF Ministerial Meeting in August 2007 China stressed that the new security concept is based on the diversity and common interests of the Asia-Pacific region, and accords with the inherent law and requirements of the region's pursuit of peace, development, progress and prosperity. In the past two years China has co-hosted with Indonesia and Thailand respectively the ARF Round Table Discussion on Stocktaking of Maritime Security Issues and the ARF Seminar on Narcotics Control. The *ARF General Guidelines for Disaster Relief Cooperation* proposed and drafted by China was adopted at the 14th ARF Ministerial Meeting, making it the first ARF framework document providing guidance for disaster relief cooperation.

China-ASEAN and ASEAN Plus Three (China, Japan and the Republic of Korea) cooperation in non-traditional security fields is developing in depth. At the China-ASEAN Summit and the ASEAN Plus Three Summit, held respectively in January and November 2007, China put forward a series of initiatives for strengthening cooperation in non-traditional security fields, and emphasized the importance of conducting institutionalized defense cooperation and military exchanges. China hosted the First China-ASEAN Dialogue between Senior Defense Scholars (CADSDS) in March 2008 and the Second ASEAN Plus Three Workshop on Disaster Relief by Armed Forces in June 2008.

Participating in UN Peacekeeping Operations

As a permanent member of the UN Security Council, China has consistently supported and actively participated in the peacekeeping operations consonant with the spirit of the UN Charter. Since 1990 the PLA has sent 11,063 military personnel/time to participate in 18 UN peacekeeping operations. Eight lost their lives on duty. As of the end of November 2008, China had 1,949 military peacekeeping personnel

serving in nine UN mission areas and the UN Department of Peacekeeping Operations. Among them, there were 88 military observers and staff officers; 175 engineering troops and 43 medical personnel for the United Nations Organization Mission in the Democratic Republic of the Congo (UNMONUC); 275 engineering troops, 240 transportation troops and 43 medical personnel for the United Nations Mission in Liberia (UNMIL); 275 engineering troops, 100 transportation troops and 60 medical personnel for the United Nations Mission in the Sudan (UNMIS); 275 engineering troops and 60 medical personnel for the United Nations Interim Force in Lebanon (UNIFIL); and 315 engineering troops for the African Union/United Nations Hybrid Operation in Darfur (UNAMID). Since 2000, China has sent 1,379 peacekeeping policeman/time to seven mission areas. Currently, 208 Chinese peacekeeping policemen are in Liberia, Kosovo, Haiti, Sudan and East Timor for peacekeeping operations.

Military Exchanges and Cooperation with Other Countries

Implementing the nation's foreign policy, the PLA develops cooperative military relations with other countries that are non-aligned, non-confrontational and not directed against any third party, and engages in various forms of military exchanges and cooperation in an effort to create a military security environment featuring mutual trust and mutual benefit.

Creating a new situation in military diplomacy which is open, practical and dynamic. China has established military ties with over 150 countries, and has military attaché offices in 109 countries. A total of 98 countries have military attaché offices in China. In the past two years senior PLA delegations have visited more than 40 countries, and defense ministers and chiefs of the general staff from more than 60 countries have visited China. Practical cooperation between the military forces of China and Russia at various levels and in multiple fields

has continued to develop in depth. The military forces of the two sides have deepened their strategic mutual confidence and held frequent exchanges of high-level visits. The defense ministers of the two countries have a direct telephone link, which is the first of its kind between China and another country. China-US military relations have made gradual progress. The two countries have formally established a telephone link between China's Ministry of National Defense and the US Department of Defense, held the first exchange of their NCOs, and formally launched military archive cooperation on information relating to US military personnel missing in action around the period of the Korean War. Meanwhile, China-Japan defense relations have made headway. The two sides have held the seventh and eighth China-Japan Defense and Security Consultation, made their first exchange of port calls by naval ships, and held the first consultation over the establishment of a maritime liaison mechanism between their teams of experts. China's defense exchanges with its neighbors, including ASEAN, India and Pakistan, have been further expanded. China has begun to hold defense and security consultations with India. The channels of communication between the defense sectors and military forces of China and European countries remain open. China's military cooperation with developing countries has been strengthened.

Actively holding bilateral or multilateral joint military exercises with other countries. Since 2007 China has held over 20 joint military exercises or joint training exercises with a score of countries. In August 2007, within the framework of the SCO, China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan held a joint counter-terrorism military exercise in the Xinjiang Uygur Autonomous Region, China, and Chelyabinsk, Russia, focusing on the task of combating terrorism, separatism and extremism. This was the first time for the PLA to participate in a major land-air joint exercise outside the Chinese territory. In July 2007 and July 2008 China and Thailand conducted joint counter-terrorism training involving both countries' army special op-

erations respectively in Guangzhou, China, and Chiang Mai, Thailand. In December 2007 and December 2008, armies of China and India staged joint counter-terrorism training exercises respectively in Kunming, China and Belgaum, India. During the past two years, the Chinese Navy has held bilateral joint maritime training exercises with the navies of 14 countries, including Russia, the United Kingdom, France, the United States, Pakistan, India and South Africa. China has also conducted various forms of multilateral joint maritime training exercises with relevant countries, focusing on various tasks. In March 2007, China held the "Peace-2007" joint maritime training exercise in the Arabian Sea with seven other countries, including Pakistan. In May 2007 China and eight other countries, including Singapore, conducted a multilateral joint maritime exercise in Singaporean waters within the framework of the Western Pacific Naval Symposium (WPNS). In October the same year China, Australia and New Zealand staged a joint maritime search-and-rescue training exercise in the Tasman Sea.

Conducting cooperation and exchanges in personnel development. China is sending an increasing number of military students overseas. In the past two years it has sent over 900 military students to more than 30 countries. Twenty military educational institutions in China have established and maintained inter-collegiate exchange relations with their counterparts in over 20 countries, including the United States, Russia, Japan and Pakistan. Meanwhile, some 4,000 military personnel from more than 130 countries have come to China to study at Chinese military educational institutions.

To further military exchanges and cooperation, and enhance mutual military confidence, China's Ministry of National Defense officially set up an spokesperson system in May 2008. The newly-founded Information Office of the Ministry of National Defense of the PRC releases important military information through regular or irregular press conferences and written statements.

XIV. Arms Control and Disarmament

The Chinese government has always attached importance to and been supportive of international efforts in the field of arms control, disarmament and non-proliferation. China has taken concrete measures to faithfully fulfill its relevant international obligations. China is committed to, along with the international community, consolidating and strengthening the existing international arms control, disarmament and non-proliferation mechanisms pursuant to the purposes and principles of the Charter of the United Nations and other universally recognized norms governing international relations, and to the preservation of international strategic stability and promotion of the common security of all countries.

Nuclear Disarmament

China holds that all nuclear-weapon states should make an unequivocal commitment to the thorough destruction of nuclear weapons, undertake to stop research into and development of new types of nuclear weapons, and reduce the role of nuclear weapons in their national security policy. The two countries possessing the largest nuclear arsenals bear special and primary responsibility for nuclear disarmament. They should earnestly comply with the relevant agreements already concluded, and further drastically reduce their nuclear arsenals in a verifiable and irreversible manner, so as to create the necessary conditions for the participation of other nuclear-weapon states in the process of nuclear disarmament.

China supports the early entry into force of the Comprehensive

Nuclear Test-Ban Treaty, and will continue to honor its moratorium commitment on nuclear testing. China supports the preparatory work for the entry into force of the Treaty by the Preparatory Commission of the Comprehensive Nuclear Test-Ban Treaty Organization, and has contributed to the establishment of the International Monitoring System (IMS).

China has always stayed true to its commitments that it will not be the first to use nuclear weapons at any time and in any circumstances, and will unconditionally not use or threaten to use nuclear weapons against non-nuclear-weapon states or in nuclear-weapon-free zones. China calls upon other nuclear-weapon states to make the same commitments and conclude an international legal instrument in this regard. China has already signed all relevant protocols which have been opened for signature of various nuclear-weapon-free zone treaties, and has reached agreement with the ASEAN on relevant issues of the Protocol of the Treaty on the Southeast Asia Nuclear-Weapon-Free Zone. China welcomes the Treaty on a Nuclear-Weapon-Free Zone in Central Asia signed by the five Central Asian countries.

China values the role of the Conference on Disarmament (CD) in Geneva, and supports efforts in the CD to reach a comprehensive and balanced program of work, so as to enable the CD to start substantial work on such issues as the Fissile Material Cut-off Treaty (FMCT), prevention of an arms race in outer space, nuclear disarmament and security assurance to non-nuclear-weapon states.

China maintains that the global missile defense program will be detrimental to strategic balance and stability, undermine international and regional security, and have a negative impact on the process of nuclear disarmament. China pays close attention to this issue.

Prohibition of Biological and Chemical Weapons

China observes in good faith its obligations under the Biological

Weapons Convention (BWC), and supports the multilateral efforts aimed at strengthening the effectiveness of the Convention. China has actively participated in the meetings of the parties to the Convention and the meetings of experts in a pragmatic manner. China has already established a comprehensive legislation system for the implementation of the Convention, set up a national implementation focal point, and submitted its declarations regarding confidence-building measures to the Implementation Support Unit of the Convention in a timely fashion. China has also strengthened bio-safety, bio-security and disease surveillance, and actively carried out related international exchanges and cooperation.

China earnestly fulfils its obligations under the Chemical Weapons Convention (CWC) by setting up implementation offices at both central and local levels, submitting timely and complete annual declarations, subsequent declarations regarding newly discovered chemical weapons abandoned by Japan in China and information on the national protection program. China has received more than 170 on-site inspections by the Organization for the Prohibition of Chemical Weapons (OPCW). The Analytical Chemistry Research Laboratory of the Institute of Chemical Defense became the first OPCW-designated laboratory in China in 1998, followed by the Toxicant Analysis Laboratory of the Academy of Military Medical Sciences, which became an OPCW-designated laboratory in 2007. In May 2008 China and the OPCW jointly held a training course on protection and assistance in Beijing. With a view to accelerating the destruction of chemical weapons abandoned by Japan in China, China has assisted Japan in carrying out more than 100 on-site investigations, and excavated more than 40,000 items of chemical weapons abandoned by Japan. China urges Japan to earnestly implement its obligations under the Convention, and start the actual destruction of chemical weapons abandoned by Japan in China as soon as possible.

Non-Proliferation

China firmly opposes the proliferation of weapons of mass destruction (WMD) and their means of delivery, and actively takes part in international non-proliferation efforts. China holds that an integrated approach should be adopted to address both the symptoms and root causes of proliferation. The international community should devote itself to building a global and regional security environment featuring stability, cooperation and mutual trust, and earnestly maintaining and strengthening the authority and effectiveness of the international non-proliferation regime. In this regard, double standards must be abandoned. All states should resort to dialogue and negotiation to resolve differences in the field of non-proliferation. The relations between non-proliferation and the peaceful use of science and technology should be properly addressed, with the aim of preserving the right of peaceful use of each state while effectively preventing WMD proliferation.

China has joined all international treaties and international organizations in the field of non-proliferation. It attaches great importance to the role of the Treaty on the Non-proliferation of Nuclear Weapons (NPT), the Biological Weapons Convention (BWC) and the Chemical Weapons Convention (CWC) in preventing the proliferation of WMD. China supports the role played by the UN in the field of non-proliferation, and has conscientiously implemented the relevant resolutions of the UN Security Council.

China is dedicated to the denuclearization of the Korean Peninsula, and firmly promotes the Six-Party Talks process on that issue. China facilitated the adoption of “Initial Actions for the Implementation of the Joint Statement” and the “Second-Phase Actions for the Implementation of the Joint Statement” respectively in February and October 2007.

China maintains that the Iranian nuclear issue should be resolved peacefully by political and diplomatic means. China has participated in the meetings of foreign ministers or political directors of the ministries of foreign affairs, and hosted a meeting of political directors of the ministries of foreign affairs of those six countries in Shanghai in April 2008. China has also actively taken part in the deliberation on the Iranian nuclear issue at the International Atomic Energy Agency (IAEA) and the UN Security Council, playing a constructive role.

China attaches great importance to non-proliferation export control, and has established a comprehensive legal system for export control of nuclear, biological, chemical and missile and related dual-use items and technologies. China has also constantly updated these laws and regulations in light of its international obligations and the need for export control. China amended the Regulations of the PRC on the Control of Nuclear Exports in November 2006, the Regulations of the PRC on the Control of Dual-Use Nuclear Items and Related Technologies Exports in January 2007 and its Control List in July of the same year. China has spared no effort in strengthening law enforcement in the field of non-proliferation export control.

China values and actively carries out international exchanges and cooperation in the field of non-proliferation and export control. China has held regular arms control and non-proliferation consultations with a dozen countries and the EU, and non-proliferation dialogues with NATO. China also maintains dialogues and exchanges with multinational export control regimes such as the Australia Group and the Wassenaar Arrangement.

China supports the objectives and principles of the Global Initiative to Combat Nuclear Terrorism. As one of the original partners of the Initiative, China has taken part in all meetings of the partners. In December 2007 China and the United States jointly held a workshop

in Beijing on radiation emergency response within the framework of the Initiative.

Prevention of the Introduction of Weapons and an Arms Race in Outer Space

The Chinese government has all along advocated the peaceful use of outer space, and opposed the introduction of weapons and an arms race in outer space. The existing international legal instruments concerning outer space are not sufficient to effectively prevent the spread of weapons to outer space. The international community should negotiate and conclude a new international legal instrument to close the loopholes in the existing legal system concerning outer space.

In February 2008 China and Russia jointly submitted to the CD a draft Treaty on the Prevention of the Placement of Weapons in Outer Space and the Threat or Use of Force against Outer Space Objects. China hopes that the CD will start substantial discussions on the draft as soon as possible, and negotiate and conclude the Treaty at an early date.

Conventional Arms Control

China has earnestly fulfilled its obligations under the Convention on Certain Conventional Weapons (CCW) and its Protocols. It has taken concrete measures to ensure that its anti-personnel landmines in service meet the relevant technical requirements of the Amended Protocol on Landmines. China actively participates in the work of the Group of Governmental Experts (GGE) on Cluster Munitions. China is also continuing its preparations for ratifying the Protocol on Explosive Remnants of War. China has continuously taken an active part in international humanitarian de-mining assistance. In the past two years, it

has held de-mining training courses for Angola, Mozambique, Chad, Burundi, Guinea-Bissau, and both northern and southern Sudan. China has also donated de-mining equipment to the above-mentioned countries and Egypt, and provided Peru, Ecuador and Ethiopia with mine eradication funds.

China has actively participated in the international efforts to combat the illicit trade in Small Arms and Light Weapons (SALW). It has conscientiously implemented the UN Program of Action (PoA) on SALW and the International Instrument on Identifying and Tracing Illicit SALW. China has issued and implemented new detailed rules on SALW markings, and has taken part in the work of the UN GGE on an “Arms Trade Treaty.”

Transparency in Military Expenditures and Registration of Transfer of Conventional Arms

China attaches great importance to military transparency, and makes unremitting efforts to enhance military transparency and promote mutual trust with other countries in the military sphere. In 2007 China joined the UN Standardized Instrument for Reporting Military Expenditures, and reports annually to the UN the basic data of its military expenditures for the latest fiscal year.

China has made important contributions to the establishment and development of the UN Register of Conventional Arms. After the Register was established, China provided the Register with annual data on imports and exports of conventional arms in the seven categories covered by the Register. However, since 1996 a particular country has provided data on its arms sales to China’s Taiwan Province to the Register, which contradicts the spirit of the relevant Resolutions of the UN General Assembly as well as the objectives and principles of the Register. China was impelled to suspend its submis-

sion of data to the Register. Since the country concerned has stopped the above-mentioned act, China has resumed, since 2007, submitting data annually to the Register on imports and exports of conventional arms in the seven categories.