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JPRS-CPS-86-047

22 MAY 1986

China Report

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

PRC STATE COUNCIL BULLETIN

No 20, 30 JULY 1985

19981028 140

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22 MAY 1986

CHINA REPORT
POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS
PRC STATE COUNCIL BULLETIN

No 20, 30 JULY 1985

Beijing ZHONGHUA RENMIN GONGHEGUO GUOWUYUAN GONGBAO [PRC STATE COUNCIL BULLETIN] in Chinese No 20, 30 Jul 85

[This volume contains selected translations from the PRC STATE COUNCIL BULLETIN. Items marked [previously published] and [previously covered] have appeared in other JPRS or FBIS publications, and are cross-referenced wherever possible.]

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TABLE OF GOODS SUBJECT TO IMPORT TAX

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 pp 727-729

[State Council Circular on Levying Regulatory Import Tax on a Number of Commodities (26 June 1985)]

(Guofa [0948 4099] 1985, No 80)

[Excerpt] [Text omitted]

TAX RATE TABLE FOR ITEMS SUBJECT TO REGULATORY IMPORT TAX

Tariff Schedule Number	Description of Goods	Import Tariff (Percent)		Regulatory Import Tax Rate (Percent)
		Lowest	Ordinary	
51.01	1. (i) Processed Dacron Filament	70	90	40
51.04	2. Other Synthetic Fiber Textiles	100	130	40
	4. Other Artificial Fiber Textiles	100	130	40
56.07	Chemical Fiber (Short Fiber or Waste Filament) Textiles	100	130	40
84.52	1. Electronic Computers	60	80	80
84.53	2. Automatic Digital Data-Processing Equipment: (ii) Automatic Digital Data-Processing Equip- ment with Digital Displays of Under 32 Digits	50	70	40

[Table continued on following page]

Tariff Schedule Number	Description of Goods	Import Tariff (Percent)		Regulatory Import Tax Rate (Percent)
		Lowest	Ordinary	
	3. Peripheral Equipment: (i) Peripheral Equipment for Auto- matic Digital Data- Processing Equipment with Digital Displays of Under 32 Digits	30	40	30
85.15	Television Receivers and Accessory Receivers: Color Projection Televi- sions	80	100	70
85.21	1. Cathode Ray Tubes: (ii) Television Picture Tubes	30	40	50
87.02	1. Sedans, Jeeps, Work Vehicles and Other Small Motor Vehicles	120	150	80
87.02	6. Trucks with a Dead- weight Capacity of Under 8 Tons (Not Including 8 Tons)	50	70	50
87.09	Motorcycles, Motorized/ Manual Dual-Use Bicycles and Bicycles With Auxiliary Motors; with or without sidecar; any sort of sidecar	120	150	20
90.10	2. Duplicators	50	70	80
92.11	3. Television Picture and Sound Recording and Playback Equip- ment	80	100	70

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CIRCULAR BANNING HIGHWAY CHECKPOINTS AND FINES

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 pp 729-731

[State Council Circular on Banning Random Establishment of Checkpoints and Imposing Fines and Charges on Highways (5 July 1985)]

[Text] Over recent years and in the wake of the lively development of urban and rural economy and readjustment of the transportation structure, there has been relatively rapid development in highway transportation, and an encouraging situation has appeared in which the state, the collective and the individuals run transportation business together. According to statistics, there are altogether over 6 million motor vehicles (including tractors) throughout the country, the majority of which are engaged in highway transportation. This plays an important role in enlivening the transportation market and speeding up circulation of commodities in urban and rural areas.

Transportation departments, security departments, industrial and commercial administration and management departments, agricultural machinery departments and so on must on the one hand enthusiastically support participation of various motor vehicles and tractors in highway transportation, and on the other, must strengthen management. Much work has been done in the past in these areas. Nevertheless, there are still problems which merit our attention. For instance, certain localities and certain areas use "strengthen management" as an excuse to arbitrarily set up checkpoints to examine vehicles, invent all sorts of violations and impose fines and charges on motor vehicles. Without obtaining approval from the authorities, some primary level units in certain rural small towns also set up checkpoints on highways and even impersonate administrative personnel to carry out examinations and solicit fines. Fines exist for more than 20 violations. If we do not put an end to the practice of arbitrary establishment of checkpoints and indiscriminate fines and charges, this will not only seriously infringe upon the economic interests of state-run and collective transportation enterprises and individual transportation households, but also seriously affect free passage of transportation vehicles and improvement of transportation efficiency. For this purpose, the following circular is formulated:

1. There should be rational distribution and establishment of centralized joint highway checkpoints. All provinces, autonomous regions and municipalities directly under the central government should consolidate and regulate existing

checkpoints. Provincial transportation or public security departments should consult other departments concerned, then make a proposal on establishment of joint checkpoints to be implemented after obtaining approval from the provincial, regional people's government and people's government of municipalities directly under the central government. Without prior approval, all localities and departments are forbidden to set up checkpoints arbitrarily (with the exception of routine anti-crime checks carried out by public security departments). The main duties of joint checkpoints are: to correct driving which violates traffic regulations and maintain traffic safety; to check relevant documents and receive tolls and taxes; to check against transportation of prohibited materials.

There are already specific regulations stating that work in checkpoints of municipalities and localities managed by public security departments is to be undertaken mainly by those departments. Work in all other highway checkpoints is to be undertaken mainly by transportation departments and involve participation of other departments, or work is to be entrusted to joint checkpoints by departments concerned.

After establishment of joint checkpoints, all departments concerned must carry out examinations at specified spots and are forbidden to arbitrarily set up roadblocks to examine vehicles which will disrupt vehicle flow except in special circumstances such as commanding and diverting traffic, maintaining public order, handling accidents and so on.

2. Vehicle examination at the joint checkpoints is to be carried out by personnel who wear police uniform or traffic management team uniforms and who must also produce identification papers issued by the primary level unit of provincial bureaus. In the course of examination, it is necessary to be polite and in accordance with rules and regulations, and allow drivers to explain. Drivers and their escorts may refuse examination by persons who do not possess or show their identification papers.

3. Regulations on fines and penalties are to be strictly implemented. Joint checkpoints should strictly follow state regulations or relevant regulations of the province, autonomous region and municipalities under central administration. Raising the amount of fines arbitrarily is forbidden. In handling fines, it is necessary to issue receipts which are uniformly made by the departments in charge at provincial level. Except for income from omission of road tolls and additional charges of vehicles which is to be included in fixed accounts, all other fines are to be submitted to the state treasury as forecast local revenue. No unit may draw or retain the money or retain a certain portion of it for bonuses. It is necessary to amend certain irrational penalty regulations which were practiced in the past.

4. It is necessary to strengthen education on ideology and on the policies for inspection personnel and constantly improve their quality. It is necessary to resolutely deal with those who seriously violate state policies, take bribes, and are corrupt.

5. Road and bridge tolls must not be imposed beyond the limited scope. Road and bridge tolls are confined to advanced highways (freeways, first class

highways and second class highways of high standards) and bridgeways and tunnels built with collective funds and loans, and rates are to be handled in accordance with the regulations of the people's government of provinces, autonomous regions and municipalities directly under central government. Tolls must not be imposed on highways and bridges other than specified. All tolls which do not comply with this regulation must be suspended immediately.

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CIRCULAR ON BANKING AND FINANCIAL CREDIT CONTROLS

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 p 735

[State Council General Office Circular on Strengthening Banking and Financial Credit Controls (27 June 1985)]

[Text] To strengthen control of banking and financial credit and ensure smooth progress of the restructuring of the national economy, you are now requested to take note of the following which has been approved by the Standing Committee meeting of the State Council:

1. People's Banks at all levels must strengthen functional leadership over professional banks and other financial organizations, and exercise effective management over funds and investments in fixed assets. The credit scale of professional banks must be included in the state credit plan of the People's Bank; loans for investment in fixed assets extended by professional banks must be strictly controlled item by item, and should not exceed state assigned plans.
2. In handling credit, it is necessary to resolutely implement state policies and decrees and the regulations on financial credit. Units which apply for loans from the bank must possess a certain amount of their own capital; units which apply for loans for investment in fixed assets and high-interest rate loans must produce guarantees from profitable enterprises.
3. Bank personnel at all levels and those who are engaged in financial credit work must shoulder responsibility, be devoted to duty, carry out relevant laws and regulations in an exemplary way, consciously resist all unhealthy tendencies, and vigorously do a good job of financial credit work.
4. Governments at all levels must strengthen leadership, and must supervise, examine and support work of banks. They must commend those units adhering to principles, rules and regulations and which display diligence; it is necessary to promptly investigate and punish those units which are derelict in duty, violate law and discipline and engage in malpractice for selfish ends.
5. The banks have the right to refuse entertainment of any erroneous practice which breaches the regulations of the CPC Central Committee and the State Council on financial credit; if local leaders create difficulties or make things hard or even erroneously deal with these departments as a result of the latter's adherence to the state financial credit system, it is necessary to investigate and affix the responsibility of the leaders concerned.

REPORT ON DEVELOPING COMMERCE IN MINORITY NATIONALITY AREAS

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 pp 736-738

[Report of Ministry of Commerce on a Number of Questions in Further Developing Commerce in Minority Nationality Areas (24 May 1985)]

[Text] In accordance with instructions of leading comrades of the Central Committee and the State Council, we have thoroughly researched the problem of how to further enliven commerce in the minority nationality areas, and have also sought opinions from relevant departments. Our report follows:

Since the founding of the PRC, the party and the government have placed great stress on promoting the development of the economy in minority nationality areas. They successively formulated a series of policies and measures which conform to the actual situation in minority nationality areas. But due to historical reasons and "leftist" ideological influence over a long period, commerce in minority areas has remained quite backward, so there is a need to continue providing these areas with necessary support and implementing special preferential policies. Therefore, it is suggested that the following measures be adopted:

1. Continue implementing the policy of reducing or exempting taxation for "three-consideration" county (banner) commercial enterprises (including supply and marketing cooperatives. Same below).

In consideration of the difficulties in minority nationality areas, from January 1985, construction tax is to be remitted for another 3 years on the construction of commercial facilities, but tax is to be levied as usual on the construction of "buildings, halls, offices and institutions." Income tax will continue to be levied on grassroots-level supply and marketing cooperatives in accordance with Article 2 of the Caishuizi [6299 4451 1316] 1981, No 279 circular of the Ministry of Finance. State-owned commerce will continue to receive consideration through fixed term tax reductions, in accordance with the spirit of the "Provisional Regulations on the Second Step of the Reform to Substitute Taxes for Profit in State Owned Enterprises." Energy and transportation construction funds can be reduced or exempted by provincial and autonomous region people's governments, providing it doesn't reduce allocation responsibilities submitted to central. [Note: Chinese text does not have the term "tax" in it.] Product taxes, increment value taxes and business taxes

can be reduced in accordance with the tax management system as stipulated by the state. As to taxes on bonuses, provincial or autonomous region people's governments can set down stipulations, but must take all sides into consideration.

2. Continue to provide price subsidies for a small number of important industrial products and for agricultural and animal husbandry products.

As to the sales prices of a small number of industrial products used daily (such as table salt and kerosene) which minority nationality people need in their lives, and the purchase prices paid to these people for agricultural and animal husbandry products, it is permitted to institute, depending on the situation, ceiling prices and floor prices respectively. Losses resulting from price differences will be treated as losses of a policy nature and will be subsidized by provincial or autonomous region financial departments, or it can be deducted from the income tax which enterprises should submit. Specific methods will be studied and fixed by relevant provincial and autonomous region governments and reported to the Ministry of Finance, Ministry of Commerce and the State Administration of Commodity Prices for the record.

3. Give as much attention as possible to those enterprises which have insufficient funds.

As to those minority nationality trading enterprises which have insufficient floating funds and have difficulties in operating, all areas should, with regard to their own financial situation, provide them with as much assistance as possible.

4. Continue to provide low interest credit to minority nationality trading enterprises.

To implement the State Council's Guofa [0948 4099] (1981) No 113 document, the People's Bank of China sent a circular to all areas in July 1981 advising them to provide credit at low interest rates to "three-consideration" county (banner) commercial enterprises, Chinese medicine materials (or other medicine) companies and supply and marketing cooperatives. We should continue this policy.

5. Continue to make special arrangements for some commodities which are in tight supply.

After the commodity planning and management system is reformed, continue to implement the measures whereby the Ministry of Commerce specially arranges allocation and supply of brand-name bicycles, sewing machines, watches and such commodities to guarantee the needs of minority nationality areas.

6. Further assist minority nationality areas to do a good job in the building of commercial networks and facilities.

Areas have adopted a number of measures over the last few years to resolve the problem of few commercial networks and simple, crude facilities. But the

problems have not yet been basically solved. In some minority nationality areas, these problems are still very pronounced. It is requested that, in accordance with needs and capabilities, all areas render assistance and consider things in an overall way when arranging commercial construction.

7. Greatly strengthen the training of commercial employees in minority nationality areas.

All areas should fully utilize schools at various levels and adopt various formats to train commercial staff and workers, so as to raise their cultural level and operations management level. In addition, graduates of some specialized commercial schools should be allocated to work in minority nationality area commercial departments on a planned basis.

8. Greatly develop collective and individual commerce.

In minority nationality areas, the land is vast and the population scattered. If we only rely on a small number of state-owned commercial networks, it will be difficult to satisfy the masses' needs. We must actively develop collective and individual commerce and specialized transport and sales households. Encourage commercial personnel from areas which are fairly advanced economically to go to minority nationality areas to engage in commercial activities and to expand economic and technological interflow.

9. Greatly develop the production of commodities used by minority nationality people.

Each of our nation's 50-plus nationalities has its own special needs. Respecting the customs of minority nationalities and doing all possible to satisfy their special needs in their production and in their lives is a consistent policy of the party and the government and must continue to be implemented. First, the raw materials required in producing the special commodities needed by minority nationalities including gold, silver, copper, aluminum, zinc, tin, pig iron, steel products, wood products, glass, leather, sheep skins, filature silk, artificial silk and so on, must be included in the raw materials supply plans at all levels and special arrangements for supply should be made. Second, in the realm of production adhere to the policy of "walking on two legs." That is, we must continue to bring into play the roles of traditional production areas and organize production, both in terms of place and quantities, of the products specially needed by the minority nationality people. At the same time, we must actively bring into play the role of production bases in the provinces and autonomous areas where minority nationalities are in the greatest concentrations. All commodities which can be produced in these production areas should, as far as capabilities allow, be produced, and the traditional production areas should give these bases support and guidance. Third, continue to provide low interest credit to enterprises in areas with a high concentration of minority nationalities and which manufacture products needed by minority nationalities. Fourth, in regard to those enterprises in minority nationality areas which produce the special commodities required by minority nationalities but which have difficulty paying stipulated taxes, it is permitted, with the approval of the tax organs, to give them preferential treatment by reducing or exempting taxes for a certain period.

10. Unify our understanding and strengthen leadership.

Commercial work in minority nationality areas is very important in terms of policy. The development of commerce in minority nationality areas has very great significance in the development of the commodity economy in these areas, in improving the people's lives, in strengthening nationality unity and in speeding the "four modernizations." Thus, we must conscientiously strengthen leadership and get a good hold on the problems. It is suggested that all levels of leadership in minority nationality areas put this work on the agenda, carry out regular supervision and inspection and resolve problems in a timely way. It is hoped that relevant ministries of the State Council will continue to concern themselves with and support commercial work in nationality areas.

If this report is appropriate, it is requested that it be circulated to all regions and relevant departments for implementation.

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CSO: 4005/358

REPORT ON WATER AND SOIL CONSERVANCY WORK

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 pp 739-742

[Report of National Water and Soil Conservancy Coordinating Group on the Situation in Carrying Out Water and Soil Conservancy Work (1 April 1985)]

[Text] The State Council approved the establishment of the National Water and Soil Conservancy Coordinating Group in May 1982, and the "Regulations on Water and Soil Conservancy Work" were also promulgated in June the same year (published in issue No 12, 1982). We held the Fourth National Water and Soil Conservancy Work Conference in August 1982 and have made arrangements for implementing the "Regulations on Water and Soil Conservancy Work" and work for preventing loss of water and erosion of soil. Below is a report on the situation of work of the Coordinating Group for the past 2 years or more since its establishment and opinions on future work:

I

For the past 2 years or more, because party committees and governments at all levels had realistically emphasized leadership work over water and soil conservancy, the broad masses of cadres and people have extensively launched prevention work in accordance with the demand of "widespread publicity, resolute protection and priority treatment." The implementation of various economic policies of the party in the rural areas has, in particular, brought about numerous favorable conditions in water and soil conservancy work. When comparing the situation of water and soil conservancy work over the past 2 years and more with the situation in the past, changes in the following four aspects are seen:

First, in the form of treatment, the method of centralized treatment and collective management is gradually changing into one which focuses on treatment on the basis of individual households and contracted responsibility households. In early 1983, leading Central comrades affirmed the experience of contracted treatment of small river basins undertaken by households in Shanxi Province, and there has been rapid development in households contracting treatment tasks since then. For instance, already 3.15 million households undertake contracted treatment tasks in the seven provinces and autonomous regions along the upper and middle Huanghe River, accounting for over a third of total peasant households. They are undertaking treatment tasks in over 250,000 river basins with an area of over 59 million mu, and 22 percent have been treated initially.

Second, in the measures for treatment, past unitary and scattered treatment has changed into comprehensive and concentrated treatment, taking small basins as single units. The Fourth National Water and Soil Conservancy Work Conference pointed out eight areas which needed priority treatment and which should be comprehensively and centrally treated as small river basins. These areas are: Wuding River and Sanchuan River in the Huanghe River valley, Huangpu River, Dingxi County in Jinsu Province, the upper Yongding River in the Hai River valley, Liu River in the Liu River valley, the Gezhouba area in the Changjiang River valley, Xingguo County in Jiangxi Province. An area of 56.85 square kilometers has been treated over the past 2 years. Various provinces, autonomous regions and municipalities directly under Central Government have also carried out key treatment in certain small river basins, and have initially treated over 17,000 square kilometers.

Third, in the method of treatment, many areas have changed from simple treatment in the past to treatment on an exploitative basis, linking treatment with exploitation. For instance, Fujian Province has developed the planting of red bayberry in the water and soil erosion areas and the processing of red bayberry powder; Nanxiong County in Guangdong Province has developed the planting of black chaste trees and the processing of baked glue, Meixian County developed shellac; Qingshui County of the Nei Monggol Autonomous Region has developed processed Hai Hong Guo [3189 4767 2654] which are marketable in many other provinces and municipalities; Yishui County in Shandong Province has developed honey suckle. They have proceeded from actual conditions to integrate treatment of loss of water and soil erosion with development in agriculture, forestry, animal husbandry, and sideline production, and have obtained considerable results.

Fourth, change from the past practice of treatment on the one hand and destruction on the other to attaching equal importance to prevention and treatment and integration of treatment and management. Due to the implementation of the agricultural production responsibility system, the question of food and warmth of the masses in poor hilly areas has been basically solved, the perfected legal system has also reduced the destruction of forests and many areas have even started to revert cultivated land into forest and restore animal husbandry. According to statistics of departments concerned, an area of over 300 million mu of hillsides throughout the country has been closed to facilitate afforestation.

II

The situation of loss of water and soil erosion is serious in our country. According to statistics in the early post liberation period, the area suffering from loss of water and soil erosion amounted to over 1.5 million square kilometers throughout nearly 1,000 counties, accounting for approximately one-sixth of the country's surface area. An area of more than 420,000 square kilometers has now been treated, which is equivalent to one-quarter of the total area suffering from loss of water and soil erosion, and hereafter treatment tasks will still be burdensome. Currently, we are faced with the following questions:

First, certain localities only pay attention to immediate interests and neglect long-term construction. They lack an understanding of the danger of loss of water and soil erosion and the concept of long-term treatment, thus, affecting the continuity of water and soil conservancy development work.

Second, some localities are still stuck on general slogans on prevention work of water and soil conservancy and do not take practical measures. They lack the spirit of concentrating on the work to the end, and do not provide timely solutions to the practical questions of organizing leadership, financial and material resources.

Third, certain grassroot level units and departments fail to comply with the "Regulations on Water and Soil Conservancy" to work closely with other units, and there is shifting of responsibilities.

Fourth, management is not strict. In certain poor hilly regions where food and fuel supplies are short, indiscriminate felling of trees has not been stopped. Certain areas have aggravated the situation of loss of water and soil erosion by paying no attention to forest protection in the course of opening up mines, repairing roads and dams, excavating medicinal herbs, burning bricks, breaking up rocks and so on.

III

In light of the above situation, we propose the following measures:

1. Further strengthen publicity education and improve understanding. The broad masses of cadres and people should be educated by means of typical examples and by various means of publicity to understand that the establishment of a solid ecological situation is a long-term strategy for enriching the hilly regions and is a matter of great significance to the building of the four modernizations. All areas must strengthen organization and leadership, promote coordination, attach importance to training of technological personnel and promote publicity of the scientific knowledge of prevention of loss of water and soil erosion. It is necessary, in light of local conditions, to formulate details on the implementation of the "Regulations of Water and Soil Conservancy Work," draw up rules and regulations in different villages, and motivate the broad masses of cadres and people to do a good job of prevention.

2. Vigorously implement the spirit of this year's No 1 Central document, and readjust the agricultural structure. In areas where conditions are unfavorable for grain cultivation, it is necessary to gradually carry out readjustment in accordance with plans, making the best use of land. As regards cultivated slope land at an angle of 25 degrees or steeper with the land surface, it is necessary to revert cultivated land into forests and pastures in a planned way. Local governments will be responsible for solving practical problems arising from this such as exemption of agricultural tax, supply of grain and so on. As far as the returned cultivated land is concerned, the policy of "whoever takes care of the land benefits from it" will be implemented.

3. Be practical in solving the problem of shortage of fuel. The question of food and warmth has been settled in many hilly regions, however the question

"worries under the pot" (shortage of firewood) still prevails, and this is an important factor which leads to loss of water and soil erosion. It is recommended that in the course of vigorously developing fuel forests, these areas should actively publicize economy in consumption of firewood, regions with favorable conditions should develop production of methane and small hydropower stations, and make better use of solar energy. As regards those "heavy firewood consuming units" such as brick yards, porcelain plants, sugar refineries and other units, coal should be used for fuel after specified dates. Regions with coal resources should actively develop small coal mines. As far as coal supply in the areas which suffer seriously from loss of water and soil erosion is concerned, it is necessary to give preferential treatment in supply channels and prices to help these areas achieve a healthy ecological cycle.

4. Further promote and perfect the responsibility system which focuses on households contracting tasks. Under the premises of unified planning, it is necessary to contract treatment of deserted hills, deserted rivers and deserted slopes to individual households or joint households, to specify responsibilities, rights and interests, to sign contracts, and to issue land-utilization certificates. It is necessary to help households which undertake responsibilities in carrying out planning, and give them technical guidance so that they can improve economic results by means of contracting treatment tasks and gradually become rich.

5. Each level must grasp priority treatment well. The whole country should continue to emphasize treatment of the eight priority regions and strive to reap good results in 10 years. It is recommended that regions suffering from loss of water and from soil erosion pool a certain amount of funds from various agricultural aid funds and local finances together with an adequate supply of human and material resources to launch priority treatment in a planned way.

Please approve the above report if there is no objection to it, and circulate it to each area for implementation.

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CSO: 4005/358

REPORT ON STATE COUNCIL REGULATIONS

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 pp 742-747

[Report of the State Council Group for Taking Stock of Regulations on the State of This Work in the State Council Departments and Opinions on Future Work (10 June 1985)]

[Text] Here is the report of the situation of taking stock of regulations in the State Council Departments and opinions on future work:

I

Since the founding of the country, the State Council, the State Council Departments and the People's Governments of provinces, autonomous regions and municipalities directly under the Central Government have promulgated an enormous amount of administrative rules and regulations (hereinafter regulations), and among these, the State Council (including the former Government Administration Council) has promulgated or approved about 2,000 regulations. These laws have played significant roles in safeguarding and speeding up the socialist revolution and construction. Nevertheless, as the situation develops, particularly reform of the system and the adoption of the open policy, many of the existing regulations do not suit the new situation. In light of this, and in accordance with the decision of the State Council, the State Council General Office issued a notice in September 1983 which requested that departments of the State Council, and provinces, autonomous regions and municipalities directly under the Central Government take 1 year to launch a comprehensive sorting out of regulations promulgated in the past.

Under the unified arrangements of the State Council, work on taking stock of regulations has obtained considerable results. According to our understanding of the 55 subordinate departments of the State Council, as at the end of May this year, 18 ministries and commissions such as the Ministry of Finance, the State Scientific Commission and so on have basically completed inventory work, and have proposed to the State Council for approval a table of contents and documents of regulations which need amendment or abolition. Progress in the remaining 37 departments varies widely; 5 departments such as the Ministry of Foreign Affairs and the State Nationality Commission and so on have just started, and other departments still haven't finished.

In addition, taking stock of regulations has been actively launched in provinces, autonomous regions and municipalities directly under the Central Government. Those progressing relatively quickly are Hebei, Beijing, Tianjin and others, having basically completed the task, and having also submitted a report on stock taking work to the State Council.

From the aspect of initial results of taking stock of regulations in various departments of the State Council, the following are the main problems which exist in the formulation and implementation of the regulations:

1. Many of the existing regulations can no longer meet the demand of the development of the national economy and society.

As part of the superstructure, the regulations are a reflection of the economic basis and must also serve the economic basis. When development of the economic basis changes, the regulations should also change accordingly; those which need to be abolished and amended should be abolished and amended, and new regulations formulated to better meet the demands of the development of the national economy and the society. Nevertheless, more than half of the regulations promulgated since the founding of the country are unable to adapt to economic and social development and in particular with the current reform and the open policy; some of these regulations have already become obstacles to work but have not been abolished or amended. According to statistics of 10 departments including the Ministry of Finance and Ministry of Labor and Personnel, among 557 regulations which they drafted that were then promulgated or approved by the State Council, 335 need to be abolished and 13 need amendment, together accounting for 62 percent of the total, and regulations which are still effective at present account for only 38 percent. In the wake of the development of the reforms and the open policy, it is estimated that there are still a certain number of regulations which need to be abolished or amended. On the other hand, a new series of regulations which suit the current new situation, pave the way for reforms and the open policy and provide guarantees, have not yet been formulated. The situation in which out-dated regulations are not abolished or amended and new regulations have not been formulated is detrimental to consolidating the results of reforms and the open policy by means of regulations and making it difficult to guide or push forward a wholesome development of the reforms and the open policy.

The main reason for the above situation is that our work in formulating regulations in the past did not focus on specific tasks and demands of the economic and social development in our country to carry out overall planning and arrangement or to organize forces from various aspects to work in a planned way.

2. Poor internal coordination of regulations affects the effectiveness of implementation.

"Regulations should not only suit the general situation and not only represent it but also should represent internal harmony which will not be ruined because of internal contradictions." (Engels) Among regulations promulgated or approved by the State Council, however we still can find the phenomenon of inadequate harmony. For instance, some regulations specify immediate effect,

but the details of implementation concerned cannot be produced immediately, and this affects specific implementation. When certain regulations are promulgated, their relationship with other regulations concerned are specifically stated but only vaguely point out that when old regulations run contrary, the new supercede the old; however, as regards clauses which are contradictory, law enforcing agents cannot tell easily and it is even harder for the general public to understand. The content of certain regulations is contradictory, such as in Article 8 of the "Regulations on Requisition of Land for State Construction," stipulating that: Land requisition is to be approved by the people's government at or above county and municipal level according to the area required, but Article 30 of the "City Planning Regulations" stipulates that: Organizations or individuals who apply for construction land use should submit an application to the departments in charge of city planning which will approve the applications after examining the location, area and extent of the land required and allocate the area of land. Such a lack of harmony and consistency among regulations is unavoidable for a certain length of time, but if allowed to continue with no coordination, the regulations are bound to "overthrow themselves" and the grassroot levels and the masses will be at loss as to what to do and ignore them, or follow whichever regulation that suits them or argue over them. Thus, the weapon of regulations cannot fully play their role and will be detrimental to reforms and the open policy.

Objective reasons why regulations clash are broad scope of readjustment, the variety of means of readjustment and constant changes in the targets of readjustment; subjective reasons are inadequate information on the implementation of regulations, the lack of regular and timely stock taking to eliminate contradictions and make regulations standardized, systematic and perfect.

3. There are too many names of regulations and the names are too confusing, lacking standardization.

The names of regulations represent the effectiveness and scope of influence of the regulations and the rank and right of the promulgating units. From the long term point of view of the establishment of the legal system, only by standardizing the names of regulations can we gradually achieve a legal system in which all regulations are arranged in a good order and which possess Chinese characteristics, to benefit the masses and the regulation enforcing units in studying, carrying out research and implementing regulations, and in more effectively serving the reforms and the open policy. Nevertheless, there are too many names and too much confusion now, a specific example being many names used for a regulation of a State organ while the regulation of the State organs at different levels are given a common name. According to rough calculations, there are more than 20 names of regulations promulgated by the State Council in the past, including ordinances, regulations, methods, simplified notices, notices, and many others. Some names, such as ordinances, are not only used for administrative regulations promulgated by the State Council, but are also used for regulations promulgated by departments of the State Council, provinces, autonomous regions and the municipalities directly under the Central Government; others, such as notices, are originally the names of official documents but are then used for regulations. This raises two questions: First, as far as the name is concerned, it is hard to distinguish between what are official

documents and what are regulation, second, it is hard to ascertain effectiveness, the rank of the promulgating organs and the extent of influence.

The main reason for the confusion in names of regulations is that there are no clear regulations, and no attention is paid to standardization of names in drafting and examining the regulations.

4. There is no feedback system on the implementation of regulations.

The situation of reform and the open policy require that there be regulations to adhere to and that regulations must be adhered to. Deviation from regulations means no regulations at all. Nevertheless, the situation of deviating from the regulations is quite serious in our country at present. For instance, the State Council long ago made stipulations forbidding forest destruction, and the "Forest Law" had also been promulgated, but indiscriminate lumbering is still serious. This certainly has something to do with the weak sense of the legal system of certain units and personnel and certain regulations which deviate from the reality, however, the lack of a feedback system is also a main reason for this situation. This is because in the course of initiating reforms and the open policy, social and economic development is fast and new problems will appear one after another, if the leading organs fail to establish a feedback system on the implementation of regulations, they will be unable to promptly, accurately and comprehensively understand the situation of strict enforcement of orders and prohibitions and the questions of the regulations themselves, or promptly work out policies which are conducive to the reforms and the open policy to do a good job of management, giving full vitality to legal work and better serve economic and social development.

III

The following recommendations for future work are proposed in accordance with the situation of stock taking of regulations and the main problems existing in formulation of regulations:

1. Continue to grasp well stock taking of regulations.

Stock taking of regulations is a major task which guarantees the smooth progress of the reforms and the open policy, we must continue to emphasize this task and strive to complete it by the end of this year and then once every following year. Regulations which have been rearranged in the past should be dealt with in accordance with specific situations: Those which should be abolished are to be abolished according to legal procedures; those which need amendment should be included in legal planning and amended; those which are still effective should be edited and published openly.

2. Establish planning for formulation of regulations and accelerate formulation of regulations.

So that the regulations suit the demands of reforms and the open policy, departments of the State Council must earnestly implement the recent series of instructions of leading comrades of the State Council on formulation of regulations,

and proceeding from the actual situation, draw up practical plans for regulation formulation. As regards regulations needing amendment, it is necessary to amend them when conditions are ripe, and not wait for a "complete set of equipment." In formulating new regulations, we can start with some rough contents and gradually perfect them. In short, it is better to start with something first, and a quick pace is better than a slow one; some regulations can first be tried by localities and departments before they are turned into national regulations. When we first draft the regulations, we must take the past and the future into consideration and work closely with relevant regulations so that there is continuity between the old and the new, that various regulations are closely related, and that regulations of different levels can keep in line with each other. It is necessary, by means of implementing planning for formulation of regulations, to have a legal system which is clearly arranged and harmonious and possesses Chinese characteristics to better serve the reforms and the open policy.

3. Draft regulations for the "Procedure of Formulating Administrative Regulations," and strengthen management work over formulation of regulations.

To solve the question of clashing regulations and confusion in the names of regulations, it is proposed that the regulations for "Procedure of Formulating Administrative Regulations" and "Certain Regulations on the Compilation of Regulations" (all provisional names) be drafted on the basis of summing up experiences; it is also recommended that departments of the State Council formulate their own regulations on "Procedures for Formulation of Regulations" and "Regulations on the Compilation of Regulations" to achieve a situation of "enforcing regulations with regulations" so that formulation of regulation can be done in accordance with rules and regulations.

4. Establish a feedback system of the implementation of the regulation.

So that the laws will be strictly observed and that the regulations can give full play to their roles in reforms and the open policy, departments of the State Council must always have a clear picture of strict enforcement of the regulations and orders promulgated by the State Council and understand if the regulations themselves suit actual situations, they must regularly channel feedback to the State Council, present recommendations to improve formulation work and promptly amend and revise existing regulations.

5. Establish an organ to perfect the legal system in State Council departments.

At present, departments of the State Council must on the one hand take stock of an enormous amount of old regulations which do not suit reforms and the open policy, and on the other hand, in accordance with new problems of the new situation, speed up the formulation of a set of new regulations which suit reforms and the open policy and conduct surveys and channel feedback on the implementation of the regulations. Thus, they are shouldering a heavy burden. But the current legal system in the majority of the departments is still imperfect, and some departments do not even have such similar organizations which, even being established, are unable to cope with the tasks. It is therefore recommended that departments of the State Council work in accordance with actual

demands and rapidly establish an organization which will perfect the departments' own legal system.

6. It is recommended that seminars be held in the latter half of this year for responsible comrades in charge of legal system work for departments of the State Council, provinces, autonomous regions and the municipalities directly under the Central Government respectively to exchange experiences, and push forward the work of taking stock of regulations in departments and regions, so that legal system work will better serve the reforms and the open policy.

Please give your views on the above report.

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CSO: 4005/358

FOREST AND WILDLIFE MANAGEMENT REGULATIONS

Beijing STATE COUNCIL BULLETIN in Chinese No 20, 30 Jul 85 pp 764-767

[Regulations on the Management of Forest and Wild Life Nature Reserves (Approved by the State Council on 21 June 1985 and Promulgated by the Ministry of Forestry on 6 July 1985)]

[Text] Article 1. Nature reserves are important areas for protecting natural environment and natural resources, for rescuing species on the verge of extinction and for carrying out scientific research. They are of great significance in promoting the development of science and technology, production and construction, cultural education, health protection, and other undertakings. These regulations are set down in accordance with the "PRC Forestry Law" and relevant stipulations.

Article 2. Forest and wild life nature reserves (hereinafter "nature reserves") will be managed in accordance with these regulations.

Article 3. The main functions of nature reserve management organs are: to implement state principles, policies and stipulations in regard to nature reserves, to strengthen management, to carry out publicity and education, to protect and develop rare wild animal and plant resources, to carry out scientific research and to explore the patterns of natural evolution and avenues for rationally using timber, animal and plant resources, so as to serve socialist construction.

Article 4. Nature reserves will be divided into state nature reserves and local nature reserves. The state nature reserves will be managed by the Ministry of Forestry or forestry management departments in provinces, autonomous regions or municipalities directly under the central government. Local nature reserves will be managed by forestry management departments at the county level or above.

Article 5. If an area fits any of the following categories, a nature reserve can be established:

- 1) Areas in different natural zones which have typical forestry ecosystems.

2) Areas which are the major habitats for existence and reproduction of animal and plant species which are rare or which have special preservation value, including:

(i) Major habitats and reproduction areas for animals which the state places stress on protecting.

(ii) Major reproduction sites, wintering sites and resting places for migratory birds.

(iii) The native areas of rare trees and other plants of special value.

3) Other forest areas with special protection value.

Article 6. When areas, noted in Article 5 of these regulations as being places where nature reserves can be established, have important value for scientific research or have great significance on the international level, with the approval of the State Council they can be made state nature reserves. Other areas can, with the approval of People's Governments in provinces, autonomous regions or municipalities directly administered by the central government, be made local nature reserves.

Article 7. When establishing a nature reserve it is important to pay attention to the completeness of the protection provided and the most appropriate scale of protection. It is necessary to consider local economic construction and the need of the masses livelihood. As far as possible, the land and forests of the masses should be avoided. When it is clear that these cannot be avoided, we should, on a strictly controlled scale and in accordance with the relevant state regulations, rationally resolve the problems of the masses in terms of production and livelihood.

Article 8. Abolition of nature reserves and readjustment of their scale must be approved by the body which gave the original approval. Without obtaining approval, it is not permitted to change the nature or scale of nature reserves.

Article 9. Nature reserve management organs will be considered as institutions. It must be ensured that quality equipment and staff are provided to these organs. The staff establishment, capital investment, operating funds and so on for the management organs of state or local nature reserves will, after approval by the responsible department, be included in the state plans and provincial, autonomous region or directly-administered municipality plans. They will then be handled in a unified manner by the Ministry of Forestry.

Article 10. Nature reserve management organs can, in accordance with their natural resources, divide the nature reserve into core areas and experimental areas. In core areas only observational research will be allowed. The experimental areas will be available for scientific experiments, practice teaching, visiting observation as well as domesticating and breeding rare animals and plants.

Article 11. The natural environment and natural resources of nature reserves will be under the unified management of the nature reserve management organ.

Without the approval of the Ministry of Forestry or the provincial, autonomous region or directly-administered municipality's responsible forestry department, no unit or individual is allowed to establish organs or construct facilities within the nature reserves.

Article 12. Those nature reserves with the conditions can, with the approval of the Ministry of Forestry or responsible forestry department in provinces, autonomous regions or municipalities directly administered by the central government, conduct tourist activities within stipulated limits.

When conducting tourist activities in nature reserves, the following stipulations must be observed:

- 1) Tourist work must be handled in a unified way by the nature reserve's management organ, and income from this work shall be used in the construction and maintenance of the nature reserve.
- 2) The property rights for tourist buildings and facilities which are funded with investment by relevant departments or built by these departments in collaboration with the nature reserve, will be retained by the nature reserve. Income will be divided in accordance with shares, within a set period, but it will not be permitted to change the jurisdiction relationship of the nature reserve.
- 3) Tourist areas must be properly planned and suitable tourist sites and tourist trails must be established.
- 4) Construction and facilities at tourist sites must reflect national styles which blend in with the natural landscape.
- 5) Tourist reception plans formulated on the basis of tourist needs and receiving conditions must be reported, in accordance with jurisdiction relationships, to the responsible forestry departments for approval, so that tourism can be arranged in an organized way.
- 6) Fire fighting and health facilities must be established and strict patrols and inspections should be maintained to prevent environmental pollution and damage to natural resources.

Article 13. Any unit or individual entering a nature reserve to engage in scientific research, practical teaching, observation, photography, mountain climbing and such activities must obtain permission from forest departments in provinces, autonomous regions or municipalities directly administered by the central government or above.

Any department, organization or department which signs an agreement with foreigners relating to state nature reserves, and receives foreigners to engage in related activities in state nature reserves must request and obtain approval from the Ministry of Forestry. If the activities relate to local nature reserves, they must seek and obtain the approval from forest departments in provinces, autonomous regions or municipalities directly under central government administration.

After approval is obtained to enter nature reserves to engage in the above-mentioned activities, these regulations and relevant stipulations must be adhered to and relevant reserve management fees must be paid.

Article 14. Residents of nature reserves should respect the relevant nature reserve stipulations. Within the scope of regular production and livelihood activities, and on the condition that they do not damage natural resources, residents can engage in planting and animal-raising activities. They can also undertake contracts to carry out labor or protective management tasks for the nature reserve, to increase their income.

Article 15. The nature reserve management organ can, together with local or neighboring county or township people's governments and relevant units, organize a nature reserve joint protection committee and formulate a protection pact, so that together they can perform protection management work well.

Article 16. On the basis of relevant state stipulations and requirements, public security organs can be established or public security officials appointed within the nature reserve. In administration, they will be subject to the guidance of the nature reserve management organ, while in their work they will be under the leadership of the higher-level public security organ.

The main tasks of nature reserve public security organs are: to protect natural resources and state assets within nature reserves; to maintain local social order; and to handle in accordance with the law any cases of damage to the nature reserve.

Article 17. These regulations will go into effect on the date of their promulgation.

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END