Press Conference

By the People’s Government of Hainan Province

**Time:** 11:00-12:00 am, March 23, 2016

**Venue:** BFA Media Center, Seagull Hall

**Moderator:** LIN Tao

**Speaker:** MAO Chaofeng, Director of BFA Board; Member of the Standing Committee and Secretary for Political and Legal Affairs of the C.P.C Hainan Provincial Committee, and Executive Vice Governor of Hainan Province.

**Key Points:**

- “Six Highlights” demonstrates the construction capabilities of Hainan as an international tourism island.
- The modern service industry, with tourism as the leading industry, helps to improve economic quality and efficiency.
- Deepen reforms in all areas achieve constant innovation of the system and mechanism.
- Create “Three Bases & one Demonstration Zone”; achieve mutual benefits in the economic and trade cooperation.
- Accelerate the construction of sea-land-air three-dimensional transportation system; promote interconnection within the whole island.
● Prioritize ecological protection as the foundation of provincial construction and protect the green land and water.
● Use small finances well to support big issue of people’s livelihood; the expenditure on people's livelihood takes up more than 70%.
● “Five Developments” to promote the construction of international tourism island.
● “Five Aspects” to build a new system of open economy.

Synopsis:
Mao Chaofeng introduced the past five years’ achievements in Hainan, the layout of the next five-year development, as well as Hainan’s current expansion and opening up. He said that, in the 12th five-year period, Hainan’s economic and social development has achieved “six highlights”.

Highlight One: the Modern Service Industry, with Tourism As the Leading Industry, Helps to Improve Economic Quality and Efficiency.
During the 12th five-year period, various major economic indicators Hainan have maintained rapid growth. The proportion of three industries structure ratio is 23.1: 23.6: 53.3, and the proportion of tertiary industry increased by 7.1% compared to that of 2010.

Tourism scale and benefits have been “double upgraded”. In the past 5 years, the total number of the tourists that Hainan received is more than 200 million, with an average annual increase of 11.7%. Total tourism income has reached 221.074 billion yuan, with an average annual increase of 16.1%. Tourism directly leads to the employment of 372,800 people, and related industries also provided employment opportunities for about 1.4 million people.
Construction of Boao International Medical Tourism Island Pilot Zone took advantage of the opportunity and made great efforts. Since last year, the development and construction of the pilot zone has driven into the fast lane, with 20 high quality international medical items under construction.

**Highlight Two: Deepen Reforms in all areas; Achieve Constant Innovation of the System and Mechanism**

Hainan continuously pushes forward the reform of administrative examination and approval system, and has simplified 1,191 administrative approval items with a decline rate of 79.4%. The three parks including Hainan Ecological Software Park, Haikou Mei’an Science and Technology Park, and Boao International Medical Tourism Island Pilot Zone, launched pilot reforms to the simplify examination and approval process to the maximum degree possible. As a result, project admission has sped up by more than 70%; and 80% of the items can be done through that day for enterprises to enter high-tech parks.

The “Multiple Rules into One” reform has achieved substantive results on the provincial level. "Overall Plan of Hainan Province” was drafted and has primarily solved various spatial planning contradictions. Exploration was made in the “one all-the-way-through blueprint” style of the new planning, management and control mechanism.

New progress has been achieved in key reform areas such as land reclamation reform, the judicial system, state owned enterprises, health care, education and culture, forestry, public institutions, supply and marketing cooperatives, rural credit cooperatives, and so on.
Highlight Three: Create “Three Bases& One Demonstration Area”; Achieve Mutual Benefits in the Economic and Trade Cooperation
In the 12th Five-Year period, Hainan, by targeting at international economic cooperation and cultural exchanges, has solidly pushed forward the construction of the “Three Bases& One Demonstration Area”: Sanya Diplomacy and Leisure Base for Leaders”, Boao “Public Diplomacy Base”, Wanning “China-Africa Cooperation and Exchange Promotion Base”, Haikou “Overseas Chinese exchange demonstration zone”. Such measures aims to promote economic and trade cooperation to achieve mutual benefits.

By the end of 2015, Hainan has established 46 pairs of sister cities with 36 countries. China-ASEAN Free Trade Area, regional cooperation in Pan-Pearl River Delta has been upgraded. Construction of important nodes of the “One Belt, One Road” has been pushed forward further. World Travel & Tourism Summit, Wanning International Surfing Cup, Mission Hills World Cup and other sports events and a series of international forums have settled in Hainan. Hainan Airlines, Hainan Rubber Group and other local enterprises have accelerated the pace of global distribution, and have further expanded foreign investment.

Highlight Four: Accelerate the Construction of Sea-Land-Air Three Dimensional Transportation System; Promote Interconnection Within the Whole Island.
During the 12th Five-Year period, Hainan invested 282.47 billion yuan in infrastructure, 2.4 times of that during the 11th Five-Year period. The province's “field” type high speed main frame and the “Quartet Five Ports”
have taken shape; the layout of the “North-South-East-West, Two Roads Two Branches” airport has been accelerated.

West Central High Speed Rail was open to traffic, which is the world's first roundabout high-speed rail. Boao airport was put into service, the construction period of which was less than 10 months.

Changjiang Nuclear Unit 1 was put into power generation. Ledong western and southern electric power plants were incorporated and put into operation. Changjiang Nuclear Power Unit 2 is expected to be put into operation in August this year, when the problem of electricity shortage will be solved.

The “Optical Network Island”, “Intelligent Island” project are in full swing, and the information infrastructure is upgraded to a higher level. In cities and administrative villages, fiber-optic broadband network coverage reaches 89.2%, 71.0% respectively, while 4G coverage reaches 99.1%, 84.7% respectively.

**Highlight Five: Prioritize Ecological Protection as the Foundation of Provincial Construction and Protect the Green Land and Water**

In the past 5 years, by means of strengthening legal construction of ecological environment, improving local standards, delineating “ecological red line” and so on, Hainan Province has enacted a series of environmental protection laws and regulations and has improved and perfected the ecological compensation mechanism. Key ecological cities and counties in the region no longer GDP.
The “Green Island Action” was carried out with a total of 159 hectares of afforestation. Forest coverage rate ascended to 62%; the ratio of days of good air quality reached 97.9%.

In accordance with laws and regulations, vacant land was thoroughly cleaned up, 13.26 acres of idle land was properly disposed of. Urban domestic garbage treatment rate and urban centralized sewage treatment rate reached 94% and 80% respectively. Clean coastal water quality area remained at 90%.

“Six Special Actions” was carried out to solve serious problems of the ecological environment.

**Highlight Six: Use Small Finances Well to Support Big Issue Of People’s Livelihood; Public Finance Expenditure on people's Livelihood Takes Up More Than 70%**

More than 70% of Hainan annual public finance expenditure is used to improve people's livelihood, and the 5-year cumulative of which is 366.38 billion yuan, 2.9 times that of the 11th Five-Year period.

Within 5 years, construction of affordable housings has reached a total of 40 billion units and nearly 30 million units has been completed, benefiting nearly 100 million urban and rural masses; and the green coverage has reached 28%.

Hainan is also the first to the fully realize arrangements of five social insurances of urban employees at the provincial level; the new rural cooperative medical insurance and urban residents social pension insurance
achieved full coverage, which is respectively two years and one year earlier than the state plan. Now, major diseases that can be reimbursed include 22 categories, easing the problem of inadequate and overly expensive medical services. More efforts were put in helping the poor and the unemployed, reducing rural poverty by 35.2 million and creating 46.9 million new jobs.

**The 13th Five-Year Layout: “Five Developments”**

**to Promote the Construction of International Tourism Island**

In the 13th Five-Year period, Hainan will seize “three major opportunities”, exploit “three advantages” to the full, achieve “three goals”, and realize “three visions”. Specifically, it is to adhere to the “five development”, and to achieve “five major breakthroughs”.

First, adhere to innovative development, and achieve new breakthroughs in terms of fostering new development momentum. Fully implement the “Hainan Overall Plan”, further promote the reforms of Land Reclamation, the judicial system, administrative examination and approval, the state-owned enterprises, to create a more dynamic institutional mechanism.

Second, adhere to the coordinated development, and achieve new breakthroughs in advancing characteristic urbanization. Adhere to land and sea coordination, regional cooperation, urban and rural integration, emphasizing both material and spiritual civilization, integration of economic and national defence construction. Expand space in coordinated development, while strengthening and enhancing the development potential in weak areas. Create the “Hai-Cheng-Wen” integrated and comprehensive economic circle,
implement “the beautiful Hainan Project”, promote “five networks” infrastructure construction, and build new towns of urban-rural integration. Implement the marine province strategy, and strive for the gross ocean production of 180 billion yuan in 2020. Accelerate the construction of Wenchang, Mulan Bay, Sansha hinterland, especially promoting the development of Sansha. Adhere to the point, line, surface coordination, and create an “all-over tourism province”.

Third, stick to green development; achieve new breakthroughs in terms of promoting the construction of ecological civilization. Seek development and growth in 12 key industries including the tourism industry, tropical characteristic efficient agriculture, the Internet industry, health care industry, finance and insurance, conference and exhibition industry. Carry out the “Internet +” strategy, and implement the “international tourist island +” program, and promote depth integration, cross-border development of each industry. Vigorously develop the circular economy, carry out actions in urban and rural environment management, accelerate protection of the marine ecological environment, and build Hainan into a green and a more desirable ecological island.

Fourth, stick to open development; make new breakthroughs in accelerating the development of an open economy. Fully integrate into the “One Road and One Belt” Initiative construction, and build Hainan into a big platform for international exchanges and cooperation for the “One Road and One Belt” Initiative, and Ocean Development and Cooperation Demonstration Zone, China (Hainan) - ASEAN Advantageous Industrial Cooperation Demonstration Zone. Relying on international exchange and cooperation
platforms such as Boao Forum for Asia, and China-Africa cooperation roundtables, Hainan will carry out foreign trade and cultural exchanges and high-level foreign affairs activities in an all-round way.

Fifth, stick to shared development; make new breakthroughs in building a comprehensive well-off society. By adhering to precisely supporting and overcoming poverty and the implementation of the “group of five” project, win the tough fight over poverty. Implement the “Healthy Hainan” project: ensure food and drug safety, deepen medical reform, consolidate and promote the province's “one hour tertiary hospital service circles”.

**Expanding the Opening:**

**“Five Aspects” in Building a New System of Open Economy**

Construction of the new open economy system is an important stimulus of economic restructuring and upgrading of Hainan. Next, this process will be advanced mainly from five aspects. First, foster a modern service industry-centred open industrial system. Second, take advantage of the FTA opportunity to accelerate the construction of industrial parks. Third, further improve the opening-up platform. Fourth, further improve the opening-up policies and measures. Fifth, further enhance the efficiency and quality of government services.