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Contents

Boao Events	2
BFA AC2019 Agenda Released: Shared Future, Concerted Action, Common Development.....	2
Li Baodong: “Three Trans-” are the Unique Strengths of Boao Forum for Asia.....	5
Boao Forum for Asia’s 1st global health forum set for Qingdao	6
Boao Forum for Asia (BFA) held the New Year Dinner 2019 in Beijing	8
Partners list of BFA Annual Conference 2019	9
Boao Forum for Asia (BFA) held a promotion conference for the Global Health Forum at Hotel Okura in Tokyo	10
Boao People.....	11
Vice Chairman ZHOU Xiaochuan’s Welcome Remarks at the New Year Dinner..	11
Speech by Secretary General Li Baodong at the Press Conference for AC 2019 .	13
Speech by Secretary General Li Baodong at the Promotion Conference for the Global Health Forum in Japan.....	16
Speech by Margaret Chan at the Promotion Conference for the Global Health Forum in Tokyo.....	18
Boao Community	21
Further Opening-up of China Interbank FX Market	21

Boao Events

BFA AC2019 Agenda Released: Shared Future, Concerted Action, Common Development

On January 16, the Secretariat of the Boao Forum for Asia (BFA) announced at a press conference in Beijing that the Annual Conference 2019 is scheduled from March 26 to 29 in Boao, Hainan, China around the theme of “Shared Future, Concerted Action, Common Development.” The opening plenum will take place on March 28, 2019.



According to BFA Secretary General Li Baodong, the theme and topics of the AC2019 cover a wide range of issues of common interest among stakeholders. They were finalized after several rounds of discussion among BFA’s initial countries, BOD members, advisers, members, partners and think tanks.

2018 saw a moderate growth, but with a slower momentum, in the world economy, which was challenged by distinct divergences among major economies in growth and monetary policy, intensifying volatility in international flows of capital, financial and energy markets, the severely impacted multilateral trade mechanism and pressing issues facing global structural reforms. The world is now under mounting downward economic pressure. At the same time, the world is also surrounded by many more unstable factors and uncertainties, such as heightened competition among big powers and intermittently deteriorating hot-button issues. Countries are closely watching the development of uncertainties caused by unilateralism and protectionism to the world economy, holding their expectations in strengthening multilateralism and global

governance.

As Chinese President Xi Jinping pointed out at the BFA Annual Conference 2018, humanity has a major choice to make between openness and isolation, and between progress and retrogression. Leaders from various communities are expected to give their answers at the AC2019.

Li said that globalization and free trade are inevitable trends of economic development; that multilateralism, dialogue and cooperation are the shared aspiration of most countries; and that openness and innovation are natural choices to sustain economic progress and globalization. As a widely watched event, the BFA AC2019 will provide an open, inclusive dialogue platform for stakeholders and send a clear message to build consensus regarding global governance.

It is in this global context that the BFA has opted for “Shared Future, Concerted Action, Common Development” as the theme of its AC2019. A shared future calls for concerted actions, whereas concerted actions lead to common development.

Around this theme, the AC2019 will feature approximately 50 official sessions, including the opening plenum, themed sessions, CEO dialogues, and roundtable meetings. They are formatted under five modules—open world economy; multilateralism, regional cooperation and global governance; innovation-driven development; high-quality development; and critical issues.

The open world economy module, which highlights the keyword “open”, covers issues ranging from global economic outlook, opening of the service sector, WTO reform, cross-border e-commerce and free trade zone versus free port.

The multilateralism, regional cooperation and global governance module, which focuses on “multilateral cooperation”, is comprised of sessions such as global governance, the Belt and Road initiative, island economy, Asian regional organizations roundtable, ASEAN-China governors/mayors dialogue, CEO dialogues between China and the US, Japan and Australia, multinationals and cross-strait CEO roundtables.

The innovation-driven development module, which emphasizes “technology innovation”, addresses issues such as sustainable development, 5G and the Internet of Things, “AI plus”, big data, shared economy, blue economy and IT.

The high-quality development module, which accentuates “quality growth”, explores issues from rural and urban development to manufacturing, finance, consumption, cross-border investment, housing and securities markets, the relationship between SOEs and the private sector, SMEs and energy.

The critical issues module covers a broad range of fields, including politics, diplomacy, security, education, culture, health and livelihood. It is composed of sessions such as South China Sea, Redefining Health, A Conversation with University Presidents and roundtables for young leaders, women leaders and media leaders.

Li also added that the annual conferences of BFA, which is hosted in China, have been graced by its state leaders every year. Currently, the BFA secretariat is maintaining communication and has received positive feedback with regards to the presence of state leaders from the host country at the 2019 Annual Conference. Also, a number of Asian and European state leaders have stated their intention to participate.

Li Baodong: “Three Trans-” are the Unique Strengths of Boao Forum for Asia

The press conference on the Boao Forum for Asia (BFA) Annual Conference 2019 was held in Beijing on 16th January. In response to a question, Li Baodong, Secretary General of the BFA said the Boao Forum for Asia has unique strengths of “three trans”.



Li said that there are many high-end dialogue platforms in the world at present. These platforms have their own worth and have played a good role in promoting world peace and development. As a nongovernmental and nonprofit international platform, the BFA has three characteristics and advantages in addition to its high level:

One is transcultural. Since its inception, the BFA with a focus on Asia and a global perspective has increasingly become an important bridge for dialogue between East and West. The Forum adheres to the principle of open and inclusive that underpinned the conference reflecting the diversity of Asian and world cultures.

Second is transdisciplinary. The forum not only sticks to the tradition which has focused and in-depth discussed on economic, financial, trade, energy and other issues; but also keeps pace with the times broadening the horizons to innovation, health, culture, education, media and other fields. These areas reflect the extension and expansion of traditional economic connotations, and some are at the forefront of global development.

Third is trans sectoral. Regardless of the discussion in which areas, we are able to bring together the wisdom of leaders from governments, enterprises, think tanks, media, etc., especially to provide a high-end platform for dialogue and cooperation between government and business. Despite the challenges and uncertainties in Asia and global development, the BFA is committed to promoting the positive aspects of the various sectors and concentrating the positive energy of common development.

Boao Forum for Asia's 1st global health forum set for Qingdao

The Boao Forum for Asia is to hold its first Global Health Forum from June 11 to 12 in Qingdao, East China's Shandong province, in a bid to enhance global health care-building. The forum's Secretary-General Li Baodong made the announcement at a press briefing held on Saturday (Dec 29th).



"National health is crucial to a country's sustainable development, and also is an important topic of discussion in the international community," Li said. "We still face many healthcare issues and topics, such as gene editing and anticancer drugs pricing, which are of great concern to all parties, and it is imperative that we hold a Global Health Forum to build a global platform for high-level discussion and cooperation."

The forum's theme is Health Beyond Health – In The Year of Sustainable Development 2030. The forum will cover sub-topics, such as "Universal Healthcare Coverage", "Health in All Policies", and "Innovation".

Margaret Chan, president of the Boao Forum for Asia's Global Health Forum and the honorary director-general of the WHO, said the forum will be "a world-class, comprehensive, and inclusive event for all healthcare professionals".

She said leaders of international healthcare, heads of relevant international agencies and non-governmental organizations, the most successful entrepreneurs and investors, as well as speakers from renowned scientific institutions will be invited. Relevant enterprises, inventors and institutions in health-related industries will showcase new

products, technologies and solutions.

The healthcare industry is one of the largest and fastest-growing industries in the world, with the world's major developed countries actively developing their healthcare industries.

"These countries have maintained their advantages in higher-margin pharmaceutical manufacturing, medical devices and healthcare industries, along with a strong international voice and rule-making rights," Chan said at the press briefing. "Meanwhile, the vast number of developing countries is still mainly producing low-value-added primary products with uneven development in related industries."

The forum also will launch the Qingdao Initiative, addressing problems involving growing concerns regarding non-communicable diseases, tobacco use and alcohol consumption.

"We aim to promote healthy lifestyles and behaviors, advocate for daily physical activity and a healthy diet and prevent premature deaths from unhealthy lifestyles," Chan added. "At the same time, we will address issues regarding road safety, and hopefully help save more lives around the world."

Both Li and Chan agreed the host city, Qingdao, is an important coastal city in China, with a beautiful mountainous and oceanic environment.

"Qingdao is a remarkable city, with red tiles on the road, green trees along the streets, and sunny, sandy beaches with a blue ocean. The forum will once again make Qingdao the focus of the whole world after the Shanghai Cooperation Organization Qingdao Summit," Chan said.

Boao Forum for Asia (BFA) held the New Year Dinner 2019 in Beijing

On January 16, 2019, the Boao Forum for Asia (BFA) held the New Year Dinner 2019 in Beijing for the BFA community that have been supportive of the forum's development.



BFA Vice Chairman Zhou Xiaochuan said in his welcome speech that BFA is committed to promoting communication and dialogue and building consensus among countries and regions amid growing uncertainties worldwide. He added that to facilitate Asia's interaction with other continents and boost globalization

and international sustainable development, BFA will make Asian voice better heard in major issues ranging from WTO reform to regional economic integration, technology innovation in the digital era and inclusive development.

BFA Secretary General Li Baodong took participants on a retrospective journey of BFA's work over the past year and expressed his heart-felt gratitude for the support of all stakeholders. Li pointed out that today's world economy is severely hampered by unilateralism and protectionism, but BFA will stay committed to its mission of promoting Asian regional integration and will continue to join hands with stakeholders to push for globalization, free trade, integration and multilateralism. He also explained that BFA opted for "Shared Future, Concerted Action, Common Development" as the theme of the BFA Annual Conference 2019 with the intention of leading globalization with a shared future, driving globalization through concerted actions, and championing globalization through common development.

The dinner was attended by nearly 300 foreign and domestic government officials and academics, as well as representatives from business and academic communities, diplomatic missions in China, international organizations and BFA's long-term partners. They included: Kong Xuanyou, Vice Minister of Foreign Affairs, China; Cui Li, Vice Minister of National Health Commission, China; Huang Liuquan, Deputy Head of Hong Kong and Macao Affairs Office of the State Council, China; Yin Yong, Vice Mayor and Member of the Standing Committee of the Municipal CPC Committee of Beijing; Hu Xiaolian, Chairman of the Export-Import Bank of China; Li Dongrong, Chairman of National Internet Finance Association of China; as well as Margaret Chan, former Director-General of the WHO and BFA Advisor; Ettore Francesco Sequi, the Italian Ambassador to China; and Nicholas Rosellini, UN Resident Coordinator in China.



Partners list of BFA Annual Conference 2019

As of January 16, 2019, BFA Annual Conference 2019 has following Partners:

- **Strategic Partners:**
SABIC, SAIC General Motors Co., Ltd., SK Group
- **Diamond Partners:**
Kweichow Moutai Co., Ltd., FMG, China Fortune Land Development Co., Ltd., Inner Mongolia Yili Industrial Group Co., Ltd
- **Platinum Partners:**
Tencent News, Riverside Group, China VAST Industrial Urban Development Company Limited, HNA Group
- **Intellectual Supporting Partner:**
Deloitte
- **Gold Partners:**
COCONUT PALM, AstraZeneca, Caijing
- **Silver Partner:**
Starbucks (China) Company Limited
- **Media Partners:** (In alphabetical order)
Beijing Review, Bloomberg Television, CATV, China Daily, CGTN, China Pictorial, China Media Group, CNBC, China News Service, Economic Daily, EDI Media Inc., Global Times, Hainan Broadcasting Group, Haymarket Financial Media, IRI Group, JoongAng ILBO, Outlook Weekly, People's Daily, PR Newswire, Phoenix TV, Xinhua News Agency and Yicai Media Group



Boao Forum for Asia (BFA) held a promotion conference for the Global Health Forum at Hotel Okura in Tokyo

On the afternoon of January 22, 2019, the Boao Forum for Asia (BFA) held a promotion conference for the Global Health Forum at Hotel Okura in Tokyo, Japan. The event was attended and addressed by Li Baodong, BFA Secretary General; Margaret Chan, President of the Global Health Forum; Cheng Yonghua, Chinese Ambassador to Japan; and Wan Jianzhong, Deputy Secretary General of the Qingdao Municipal Government. It was also attended by about 200 participants from the Japanese government, health-related associations, healthcare companies and media communities.



After the event, Li Baodong and Margaret Chan had a meeting with a selection of participants, including Matsumoto Kenichi, Vice Chairman of the Japan Association of Medical Devices Industries; Haruhiko Hirate, Senior Vice President of Takeda Pharmaceutical Co., Ltd.; and Teiichi Goto, Senior Vice President of Fujifilm Corporation.

Wan Jianzhong, Deputy Secretary General of the Qingdao Municipal Government, was also present at the meeting.

Boao People

Vice Chairman ZHOU Xiaochuan's Welcome Remarks at the New Year Dinner (Jan 16th, 2019)

Ladies and gentlemen,

Good evening. Welcome to the New Year Dinner of Boao Forum for Asia.

Recently, a very smart Chinese couplet became popular in social media Wechat, roughly translated as "say goodbye to 2018 the year of dog, and 2019

the year of pig will go so well." This sentence is very subtly expressive that we will send away the Chinese Lunar Year of the Dog and welcome the Year of the Pig. At the same time, it vividly reflects the mood of people. In 2018, the world experienced too many challenges. We cannot wait to usher in the new year, hopefully a better year.



In 2018, the world economy started in recovery, but it suffered a series of shocks. The global trade friction escalated, the Fed raised interest rates for four times, Brexit agreement remained unsolved, the exchange rate of emerging economies depreciated sharply, oil prices plummeted at the end of the year, and US stocks fell. These uncertainties have their own backgrounds. However, an important reason is that in the past ten years after the global financial crisis, many countries have not done enough in structural reforms, and they have not solved the problem of severe social disparity and lacking domestic economic driver. As a result, economic globalization has become the scapegoat. populism, unilateralism, and trade protectionism have been on the rise. The existing international economic, trade, and financial system it challenged, and the international community needs to make greater efforts to repair it and improve it.

However, in the past year, in the face of volatility, the Asian economy has shown strong resilience and an overall satisfying performance. Asia is still the fastest growing region in the world, contributing more than 60% to the annual growth of world economy. The IMF estimates that in 2018, Asia's growth rate was 5.6%, and in 2019 it will be 5.4%. Despite the shift in external risk, Asia's own high savings rate, high investment rate, balanced current account, continued investment in human capital and technological innovation, and the ongoing negotiation of FTAAP have all become important drivers behind sustainable development of Asia.

Faced with a grim external environment and the downward pressure on the domestic economy, in 2018, the Chinese government insisted on promoting supply side structural reform, and the economy was generally stable and steadily paced forward. At the same time, China commemorated the 40th anniversary of reform and opening up with comprehensive deepening of reforms and all-round opening up. In 2019, the Chinese government will continue to implement a proactive fiscal policy and a prudent monetary policy to create a stable macroeconomic environment. At the same time, it will promote industrial optimization and move toward high-quality growth.

China will continue to slash industrial over-capacity, reduce costs and make up for its weakness; enhance the vitality of micro-subjects, establish fair, open and transparent market rules and rule of law; upgrade the level of the industrial chain; smooth the national economic cycle, accelerate the construction of a modern and competitive market system with openness and healthy competition.

Ladies and gentlemen,

As a platform on which government-business dialogue can be carried out, BFA focuses on Asia and the world. It shoulders an important task of promoting communication, dialogue and consensus among countries and regions in an ever more uncertain international environment. We hope that members, partners and all friends who care and support the forum can get involved. I hope that in the new year, the forum will be able to make voice of Asia better heard on major issues such as WTO reform, regional economic integration, technological innovation and inclusive development in the digital age, promote dialogue between Asia and the rest of the world, promote new globalization, and contribute to the world's sustainable development.

The Chinese spring festival is coming. Here I wish you a prosperous and happy new year!

Thank you.

Speech by Secretary General Li Baodong at the Press Conference for AC 2019
(Jan 16th, 2019)

Dear friends from the media,

The Boao Forum for Asia Annual Conference 2019 (AC 2019) will be held in Boao, Hainan two months from now. As a major gathering for Asian and emerging economies, the Conference is a flagship event of BFA, which brings together over 2,000 participants every



year, including heads of state/government from Asia and the rest of the world, leaders of international organizations, ministers, economists as well as business and media leaders. Together, they contribute their wisdom and insights for the development of Asia, emerging economies and the world.

To brief the media, and, through you, inform various communities of progress in preparations for AC 2019, we have specially organized this press conference to give an introduction to the theme, topics, date of AC 2019, as well as leaders and guests who will participate. After that, we will take your questions.

It is a traditional practice of BFA to immediately start preparations for the next Annual Conference after the end of the current one. Beginning in June 2018, we started to seek views regarding the theme and topics of AC 2019. They were finalized after in-depth consultations with—while being reflective of issues of common interest among—29 initial countries, 19 directors, 17 advisors, over 250 members and more than 50 business and media partners, as well as a number of think tanks.

2018 saw a moderate growth, but with a slower momentum, in the world economy, which was challenged by distinct divergences among major economies in growth and monetary policy, intensifying volatility in international flows of capital, financial and energy markets, the severely impacted multilateral trade mechanism and pressing issues facing global structural reforms. According to IMF estimates, global economic growth is expected to be flat in 2018 and 2019 in comparison with 2017, and is under mounting downward pressure. At the same time, the world is also surrounded by many more unstable factors and uncertainties, such as heightened competition among big powers and intermittently deteriorating hot-button issues.

When seeking views regarding the theme of AC 2019, we were generally under an impression that all stakeholders are concerned about uncertainties caused by unilateralism and protectionism to the world economy, holding their expectations in strengthening multilateralism and global governance.

As Chinese President Xi Jinping pointed out at the 2018 BFA Annual Conference, humanity has a major choice to make between openness and isolation, and between progress and retrogression. Leaders from various communities will give their answers at AC 2019.

It is our belief that globalization and free trade are inevitable trends of economic development; that multilateralism, dialogue and cooperation are the shared aspiration of most countries; and that openness and innovation are natural choices to sustain economic progress and globalization. As a widely watched event, AC 2019 will provide an open, inclusive dialogue platform for stakeholders and send a clear message to build consensus regarding global governance.

It is in this global context that we opted for “Shared Future, Concerted Action, Common Development” as the theme of AC 2019. In our opinion, a shared future calls for concerted actions, whereas concerted actions lead to common development.

Around this theme, AC 2019 will feature approximately 50 official sessions, including the opening plenum, themed sessions, CEO dialogues and roundtable meetings. They are formatted under five modules—open world economy; multilateralism, regional cooperation and global governance; innovation-driven development; high-quality development; and critical issues.

The open world economy module, which highlights the keyword “open”, covers issues ranging from global economic outlook, opening of the service sector, WTO reform, cross-border e-commerce and free trade zone versus free port.

The multilateralism, regional cooperation and global governance module, which focuses on “multilateral cooperation”, is comprised of sessions such as global governance, the Belt and Road initiative, island economy, Asian regional organizations roundtable, ASEAN-China governors/mayors dialogue, CEO dialogues between China and the US, Japan and Australia, multinationals and cross-strait CEO roundtables.

The innovation-driven development module, which emphasizes “technology innovation”, addresses issues such as sustainable development, 5G and the Internet of Things, “AI plus”, big data, shared economy, blue economy and IT.

The high-quality development module, which accentuates “quality growth”, explores issues from rural and urban development to manufacturing, finance, consumption, cross-border investment, housing and securities markets, the relationship between SOEs and the private sector, SMEs and energy.

The critical issues module covers a broad range of fields, including politics, diplomacy, security, education, culture, health and livelihood. It is composed of sessions such as South China Sea, Redefining Health, A Conversation with University Presidents and roundtables for young leaders, women leaders and media leaders.

As a thumb of rule, each BFA Annual Conference is usually held in late March. After consultation with stakeholders, AC 2019 is scheduled from March 26 to 29. The opening plenum will take place on March 28.

The annual conferences of BFA, which are hosted in China, have been graced by its state leaders who have been extensively engaging with leaders from various communities. Currently, we are maintaining communication and have received positive feedback with regards to the presence of state leaders from the host country at AC 2019. Also, a number of Asian and European state leaders have also stated their intention to participate. During a BFA annual conference, the most exciting moment for participants usually happens when national leaders from the host and other countries give policy speeches. Moreover, there are also diverse forms of dialogue and interaction between leaders themselves, and between leaders and delegates, which is another defining feature of BFA as a bilateral and multilateral platform for diplomacy and political-business dialogue.

As a non-government, non-profit international organization, BFA and its annual conferences would not be able to function smoothly without the support of business communities and our partners. Fortunately, we are privileged to receive long-term strategic support from many companies and even more so with new partners joining us every year. BFA has confirmed 20 business partners for AC 2019, many of which are present here today. Over the years, we have maintained great cooperative ties with foreign and domestic media organizations. This year, BFA has secured support from 23 media partners for AC 2019. I’m not going to read the names of all business and media partners, as the list is too long and is available on our official website. Here, I’d like to extend my sincere gratitude to these partners. It is their support that has taken BFA this far; it is also their contribution that catalyzes BFA’s insights for the development of Asia and the world. Thank you very much.

**Speech by Secretary General Li Baodong at the Promotion
Conference for the Global Health Forum in Japan
(Jan 22nd, 2019)**

Distinguished guests, dear friends, ladies and gentlemen,

Welcome to the promotion conference for the inaugural Global Health Forum. Initiated by Morihiro Hosokawa, former Prime Minister of Japan, together with Fidel V. Ramos, former President of the Philippines, and Bob Hawke, former Prime Minister of Australia in 1998, the Boao Forum for Asia (BFA) is a non-government, non-profit international organization that was officially established in 2001. Since its inception, BFA has garnered wide support and attention in Asia and around the world. Today, BFA has evolved into a high-level dialogue platform for political, business and academic leaders from Asia and worldwide.

Over the years, the BFA is committed to promoting Asian regional cooperation and common development of the world. In addition to traditional economic issues, BFA is also focused on health issues that have a direct bearing on economic development and people's living standard. Health is considered as an important parameter of a country's sustainability, as well as a critical issue of international consensus. "Ensure healthy lives and promote well-being for all at all ages" has been established as a UN Sustainable Development Goal. As an integral component of economic growth, health has become one of the fastest-growing sectors in the world. Health is also closely related to security. Some global public health incidents in recent years also highlight the importance of strengthening global health system and crisis management.

To promote the development of global health, BFA decided to capitalize on its characteristics and strengths to create a comprehensive, authoritative and widely representative platform for high-level dialogue and cooperation that involves political, business and academic stakeholders. It's in this context that in July 2018 the BFA Secretariat announced the establishment of the BFA Global Health Forum in Beijing. In December 2018, the Secretariat announced in Qingdao that the first Global Health Forum (GHF) will be convened from June 11 to 12, 2019 in Qingdao, Shandong Province. As a famous tourist destination and wellness resort, Qingdao is an ideal host city of GHF thanks to its well-developed health industry and robust conference facilities.

Currently, preparations for the first GHF are smoothly in progress. Around the theme of "Health for All People", GHF will bring together leaders of national health organizations, government officials, heads of relevant international institutions and NGOs, leading health experts and scholars, as well as successful business leaders and investors from representative countries. They will explore a broad range of health-

related issues. We will also invite delegates from health-related companies, healthcare institutions and trade associations to provide them with an opportunity to voice their views regarding the theme and share with them the perspectives on the health sector of relevant governments, international institutions and other organizations. To promote the development of associated industries, road shows of innovative health technologies and projects will be organized on the sidelines.

The conception of GHF is also widely supported by relevant Chinese government bodies and a number of international organizations, including the WHO. Director General Dr. Tedros Adhanom Ghebreyesus advised the WHO to deeply involve itself in all the aspects of GHF organization, adding that the WHO will also partner with BFA to organize the first GHF. Leaders from relevant Chinese government bodies have also expressed their support to and accepted invitations to attend the event.

As a major economy in Asia and the world, Japan is a global leader in technology, education and manufacturing. The country is also an international model in environmental protection, resource efficiency and many other fields. In health, Japan is also at the global forefront, driven by advanced biotechnology, pharmaceuticals and medical devices sectors. We promote this event in Japan in the hope that the country can also participate in the 1st GHF to share with Asia and the rest of the world its best practices in national health management and health sector development, as well as success stories in health technology development.

To ensure the success of the event, BFA and the Qingdao Municipal Government has formed an experienced preparatory task force. We have also invited Dr. Margaret Chan, BFA Advisor and honorary Director-General of the WHO, to act as President of GHF, who served as Director-General of the WHO from 2007 to 2017. During her tenure, the WHO pushed ahead with organizational reforms, led a global combat against Ebola and developed a new response program for health emergencies. We cannot find a better candidate for the presidency of GHF. Under her leadership and with the support of various stakeholders, the first GHF will surely be a great success.

Now, President Margaret Chan will brief you on preparations for the 1st Global Health Forum.

Thank you.

**Speech by Margaret Chan at the Promotion Conference for the
Global Health Forum in Tokyo**
(Jan 22nd, 2019)

Distinguishes guests, business leaders,
Dear friends from the media, ladies and gentlemen,

Good afternoon.

It's really a pleasure to come to Tokyo again.

First, on behalf of the Global Health Forum of Boao Forum for Asia, I'd like to extend a warm welcome to all of our friends from various communities of Japan.

Japan has one of the world's leading healthcare systems as well as one of the most advanced national health management systems. Personally, I find myself in awe of Japan's tremendous accomplishments and continuous innovation in health, as exemplified by Tasuku Honjo, who was awarded the Nobel Prize in Physiology or Medicine last year.

In the 1960s, Japan started to implement a universal healthcare insurance system by creating an efficient health service system that covers all people. In 1978, the country rolled out a national fitness and exercise program; ten years later, it again developed a mechanism to ensure senior citizens receive physical examinations. After 2000, the Japanese government released "Healthy Japan 21" and introduced the Health Promotion Act. These practices are well aligned with the development goals and action plans of the UN and the WHO in national health, serving as great models for Asia and the rest of the world.

As a person with 40 years of career experience in health, I'm fully aware how important health is to national security, economic development and people's wellbeing. As early as 40 years ago, the Alma Ata Declaration proposed the goal of "Health for All"; recent years have also seen national health going further to become a major issue of widespread consensus for the international community. In September 2015, the UN adopted the 2030 Agenda for Sustainable Development, one goal of which is to ensure healthy lives and promote well-being for all at all ages.

Health is a critical component of national development, and universal health coverage will make a society more stable and cohesive. To promote the cause of global health development, we have scheduled the first Global Health Forum from June 11 to 12, 2019 in Qingdao, China. Around the theme of "Health beyond Health—In the Year of Sustainable Development 2030," the Forum will be formatted under three sub-

themes—“Health for All—Universal Health Coverage”, “Innovation for Health”, and “Health in All Policies”.



The Forum will bring together leaders of health authorities, international organizations, NGOs, top health experts and academics, business leaders, investors and eminent scientists in an in-depth exploration of a wide range of health-related topics. We will also invite relevant companies, healthcare institutions and trade associations to provide them with an opportunity to voice their views regarding universal health coverage and share with them the perspectives of governments, international institutions and other organizations regarding the development of the health sector.

To make the first Forum a great success, Secretary General Li Baodong and I have paid visits to a number of international organizations over the past few months, including the WHO, the headquarters of the UN in Europe, the International Red Cross and Red Crescent Movement, the International Telecommunication Union, the World Intellectual Property Organization, the World Meteorological Organization, the Global Alliance for Vaccines and Immunization and the Global Fund to Fight AIDS, Tuberculosis and Malaria. We sought their valuable perspectives on our preparations for the first Global Health Forum and have won their positive feedback and strong support. We also met with heads of health authorities of China, Japan, Vietnam, the Philippines, South Korea and other countries and introduced our conception and relevant plans of the Forum. They also offered their support as well as inspiring observations and recommendations on topic selection and organization.

Last November, we had a full discussion regarding the theme, topics of sessions, speakers and guests and other issues of the Forum at the expert meeting held in Beijing.

On December 29 last year, the Boao Forum for Asia and the Qingdao Municipal Government jointly announced at a press conference that the first Global Health Forum will be held in June 2019 in Qingdao.

Health is an emerging sector that promises enormous potential. Global spending on health already reached an estimated USD 8 trillion in 2015, representing about one tenth of global GDP. The sector has grown into a new engine for global economic growth.

In 2016, the Chinese government released the Healthy China 2030 Plan, which sets the goal of expanding the health services sector to RMB 16 trillion by 2030. Here, I'm calling your attention to the host city of Qingdao as well as health policies, plans, development stages and potential of the health sector at various levels of cities—And Qingdao is just one example of so many cities in China. Currently, China's health and healthcare sectors are experiencing a boom, which will create business opportunities for Japanese companies entering the market.

Through this promotional event, I hope that we have provided our Japanese friends from various communities with clarity on the mission and purpose of the Global Health Forum. And we will be very happy to welcome you in Qingdao.

Thank you.

Boao Community

Further Opening-up of China Interbank FX Market¹ (Excerpt from London RMB Business Quarterly Dec. 2018)

As recent years have seen greater openness of China's financial market and more internationalised RMB, China has steadily open up the interbank FX market. By far, China's interbank FX market has 93 overseas participants, accounting for 14% of the total number. By category, there are 39 foreign central banks and similar institutions, 21 offshore clearing banks and 33 offshore participating banks from Americas, Europe, Asia, Australia and Africa. Overseas participants have access to trading instruments including spot, forward, swap, currency swap, option, and foreign currency lending.

In 2004, Bank of China (Hong Kong) Ltd. (BOCHK) entered China's interbank FX market, which marked the early opening up of the market. In 2009, as the RMB settlements of cross-border trade transactions proceeded smoothly, offshore RMB clearing banks were permitted to enter. In 2015, foreign central banks (monetary authorities), international financial institutions, and sovereign wealth funds were able to invest in the interbank FX market directly or via agents without quota limits. In January 2016, overseas participating banks with a relatively large RMB business base, international influence and geographical representation were allowed to participate. In September 2016, eligible overseas investors were permitted to invest in foreign currency lending market. In 2017, the PBC allowed Settlement Agents with the qualification of RMB derivatives business to hedge for overseas bond investors against foreign exchange risk exposure arising from the inward remittances. Noticeably, this September, London-based XTX Markets became the first nonbank market maker in the interbank G10 currency pairs market. So far, China's interbank FX market has been opened up to various foreign institutions with an increasing level of access to different instruments.

Foreign investors are a vital force behind increased market liquidity and greater integration between domestic and overseas markets. They have become increasingly active in the interbank FX market. During the first three quarters of 2018, the total turnover of overseas institutions in the interbank FX market exceeded USD1 trillion with a market share of 2.1%, as compared to 1% in 2017. Specifically, the cumulative turnover in the RMB/FX market, G10 currency pairs market and foreign currency lending market was USD118 billion, USD2.5 billion and USD890.3 billion, accounting for 0.3%, 0.9% and 6.8% respectively of the corresponding markets. Currently, there are three UK institutions in China's interbank FX market, namely Crédit Agricole (London), China Construction Bank London Branch and Standard Chartered Bank. Crédit Agricole (London) entered the interbank G10 currency pairs market as a market

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maker in 2006 and has since conducted transactions worth of USD7.04 billion. China Construction Bank London Branch was authorised by PBC to act as London's RMB clearing bank in June 2014 and subsequently entered the interbank FX market in October of that year. It provides a wide range of RMB banking products and services for overseas central banks, nonbank financial institutions and other participating banks. Its cumulative trading turnover reached USD5.58 billion in the interbank FX market. Standard Chartered Bank entered this market last year, the cumulative trading turnover of which reached USD145 million as of the end of October 2018. Meanwhile, China Merchants Bank London Branch will soon access China's foreign lending market.

China's interbank FX market continue to shore up its ability to provide services to investors around the world. Since January 2016, the trading session has been extended to 23:30 Beijing time to overlap with trading hours in Europe and the US. Meanwhile, the interbank FX market is actively implementing its "going global" strategy by building a worldwide service network and improving the infrastructure for international financial services. The orderly opening-up of the interbank FX market is part of China's efforts to establish a sound, open and competitive FX market. This will meet the demand for opening up China's economy and financial markets and facilitate the innovative development of trade, and will also pave the way for capital account convertibility and further reforms on the market-oriented CNY exchange rate formation mechanism.

Foreign institutions can now enter China's interbank FX market through greatly streamlined procedures. Foreign central banks and similar institutions can be registered as members of the interbank FX market by sending to CFETS their registration forms and signature authorisation. They may access the market by entrusting PBC or interbank FX market member(s) as agent(s), or directly participating in the market as foreign members. Offshore clearing banks and eligible offshore participating banks can register as members of the interbank FX market by submitting a written application to CFETS. Now foreign banks (including overseas branches of Chinese banks and offshore foreign funded banks) eligible to conduct foreign currency lending business can simply apply to CFETS to be foreign currency lending members. Looking forward, CFETS will continue to open wider China's interbank market to overseas investors, meeting their various demands, and those London-based financial institutions are particularly welcome.

Latest Policies and Major Events

-- On 5 January, the People's Bank of China (PBoC) improved policies for cross-border RMB business. Major policies included: 1) encouraging enterprises to settle cross-border trade deals in the RMB; 2) supporting foreigners' use of the RMB for direct investments in the country; 3) encouraging foreign investors to participate in carbon

emission trading in China with the RMB; 4) authorising Chinese firms to transfer RMB funds raised through issuing bonds or equities overseas back home; 5) allowing individuals to remit funds from overseas, and vice versa.

-- On 23 March, Bloomberg announced that it will add Chinese RMB-denominated government and policy bank securities to the Bloomberg Barclays Global Aggregate Index. The addition of these securities will be phased in over a 20-month period starting April 2019. Meanwhile, several planned operational enhancements will be implemented by the PBoC and the Ministry of Finance.

-- On 26 March, China's crude oil futures was listed on the Shanghai International Energy Exchange. The futures contract is denominated in the RMB with trading unit of 1,000 barrels per contract. It would be available to foreign investors, exchanges and petroleum companies.

-- On 11 April, Yi Gang, the Governor of the PBoC, made an announcement in the Boao Forum for Asia Annual Conference that the PBoC will implement the following measures in the next few months to further open financial sector: 1) remove the foreign ownership cap for banks and asset management companies; 2) lift the foreign ownership cap to 51% for securities companies, fund managers, futures companies, and life insurers, and remove the cap in three years; 3) abolish the requirement for jointventure securities firms to have at least one local security firm as a shareholder; 4) the daily quotas under Stock Connect increased by four times.

-- On 24 April, the State Administration of Foreign Exchange (SAFE) announced that quotas for Qualified Domestic Limited Partnership (QDLP) program in Shanghai and Qualified Domestic Investment Enterprise (QDIE) program in Shenzhen would be expanded to USD5 billion respectively. In order to support domestic enterprises to make outbound investments, SAFE introduced QDLP program in Shanghai in October 2013 and QDIE program in Shenzhen in December 2014.

-- On 18 May, PBoC further improved cross-border fund flow management. Major measures covered: 1) the existing policy framework under which offshore RMB business clearing banks and participating banks can tap RMB liquidity from the onshore market to support offshore RMB business development; 2) duly implementing Hong Kong Monetary Authority's bilateral currency swap agreements; 3) adjusting the required reserve ratio of RMB deposits placed by Hong Kong's RMB business clearing bank in the settlement account in the PBoC's Shenzhen sub-branch to zero percent; 4) further enhancing the currency conversion mechanism for the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

-- On 1 June, 234 A-shares are included in the MSCI indexes. In the first step of inclusion, there would be 234 A-shares added at 2.5% of Foreign Inclusion Factor (FIF)-adjusted market capitalisation, representing aggregate weights of 1.26% and 0.39%, respectively, in the MSCI China Index and the MSCI Emerging Market Index.

-- On 12 June, State Administration of Foreign Exchange eased restrictions on QFII. Major policies included: 1) Lifting 20% cap on the funds that investors have been allowed to take out of China; 2) removing lockup periods for investment principal; 3) allowing investors under QFII and RQFII schemes to make foreign exchange hedging on their investments onshore.

-- On 12 June, in order to prevent macro financial risks, the PBoC decided to raise reserve requirement on foreign exchange forwards trading to 20% from 6 August. The PBoC introduced a 20% reserve requirement on foreign exchange trading in September 2015. It was once removed in September 2017 following market conditions had stabilised.

-- On 24 August, the PBoC reintroduced the countercyclical factor in RMB fixing mechanism which is expected to effectively mitigate the pro-cyclical market behaviors and stabilise market expectation. Countercyclical factor will play active role in keeping yuan exchange rate stable.

-- On 31 August, China Securities Regulatory Commission (CSRC) publicly solicited opinions on the "Rules for Regulation of the Depositary Receipt Business for the Market Connectivity of Shanghai Stock Exchange and London Stock Exchange", indicating that the Shanghai-London Stock Connect program will be implemented soon, and the preparations have entered the last stage before the official launch. Shanghai-London Stock Connect will see Shanghai-traded Chinese companies issuing Global Depositary Receipts (GDR) in London, while reciprocally allowing London-traded firms to issue Chinese Depositary Receipts(CDR) to go public in Shanghai. The "Rules for Regulation (Draft for Comment)" provides important principles on the eastbound and westbound businesses of the Shanghai-London Stock Connect, including issuance and listing, cross-border conversion, continuous regulatory requirements, regulatory enforcement, investor protection and other matters.

-- On 8 September, in order to promote the opening-up of the bond market and regulate the bond issuance by overseas institutions, with the approval of the State Council, the People's Bank of China (PBoC) and the Ministry of Finance (MOF) jointly issued the "Interim Measures for Administration of the Bond Issuance by Overseas Institutions in the National Inter-bank Bond Market" (PBoC and MOF Notice [2018] No.16). Meanwhile, Interim Measures for Administration of Issuing RMB Bonds by

International Development Institutions (PBoC, MOF, NDRC and CSRC Notice [2010] No. 10) has been formally abolished. Since the international development institutions first issued an RMB bond in the inter-bank bond market in 2005, onshore bond financing channels have been broadened for overseas institutions and issuers have become increasingly diversified. At the end of September 2018, overseas institutions have cumulatively issued RMB180.86 billion of bonds in the inter-bank bond market. The issuers base has expanded from international development institutions to foreign governments, overseas financial institutions and non-financial enterprises.

-- On 20 September, the People's Bank of China (PBoC) and Hong Kong Monetary Authority (HKMA), signed a "Memorandum of Co-operation on Using Central Moneymarkets Unit for Issuance of PBoC Bills", for the tendering and issuance of PBoC bills through CMU BID, the HKMA's Central Moneymarkets Unit's (CMU) bond tendering platform. The issuance of PBoC bills in Hong Kong aims to enrich the spectrum of renminbi financial products of high credit rating in Hong Kong, improve the yield curve of renminbi bonds in Hong Kong, and support the development of offshore renminbi business in Hong Kong.

-- On 10 October, the Ministry of Finance (MOF) issued RMB5 billion sovereign bonds in Hong Kong. Amongst which, RMB4.5 billion was issued to institutional investors. This included RMB3 billion 2-year bonds and RMB1.5 billion 5-year bonds priced at 3.65% and 3.80%, respectively. Another RMB0.5 billion bonds were sold to overseas central banks and monetary authorities, including RMB0.3 billion 2-year bonds and RMB0.2 billion 5-year bonds priced the same as those for the same tenors. In addition, the PBoC issued RMB bills through the Central Money markets Unit of the Hong Kong Monetary Authority. The issuance contained RMB10 billion 3-month bills and RMB10 billion 1-year bills priced at 3.79% and 4.20%, respectively.

-- On 26 October, the People's Bank of China (PBoC) and the Bank of Japan (BOJ) entered into agreements which will facilitate RMB usage in cross-border transactions between the two nations. Firstly, the PBoC signed the Memorandum of Understanding with the BOJ, and Bank of China Tokyo branch has been designated as the RMB Clearing Bank in Japan. Secondly, the PBoC and the BOJ entered into an RMB200 billion / JPY3.4 trillion bilateral currency swap agreement. The agreement would be effective for three years and could be extended upon mutual agreement.

-- On 22 November, the Ministry of Finance and the State Administration of Taxation issued the "Notice on the Foreign Enterprise Investing in the Corporate Income Tax VAT Policy for the Domestic Bond Market", to further promote the opening of the bond market from November 7, 2018 to November 6, 2021. During this period, any bond interest income obtained by foreign institutions investing in the domestic bond market will be temporarily exempted from corporate income tax and value-added tax.

The scope of the exemption does not include the bond interest obtained by the institution or place established by the overseas institution in the territory.

-- On 29 of November 2018, the People's Bank of China approves China Foreign Exchange Trade System (National Interbank Funding Centre) (hereinafter as CFETS) collaboration with Bloomberg. CFETS and Bloomberg connectivity will support CIBM Direct and Bond Connect trading to accommodate overseas institutional investors demand under both channels. Overseas investors via CIBM Direct may send trading instructions from Bloomberg terminal to CFETS system, and agent banks may confirm trading instructions and deal in CFETS system. Overseas investors via Bond Connect may send RFQ (request for quote) messages from Bloomberg terminal to onshore quotation dealers and trades done in CFETS system.