Concerning the Development and Administration of Our Country's Internet

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[TRANSLATION BY HRIC]

The Honorable Committee Chair, Deputy Committee Chairs, Secretary General, and Members of the Committee:

The Internet is a major technological invention of the 20th century and an important indicator of modern advanced productive capacity. The development and popularization of the Internet have triggered an unprecedented information revolution as well as an industrial revolution. It has become an important engine that drives economic development, an important infrastructure for the operation of modern society, and a key area of international competition. The Internet is having a profound impact on the development of the world's economy, politics, and culture. With regard to the Internet, the unknown is far greater than the known, and even further development and greater impact still lie in the future. How to actively utilize it, develop it scientifically, manage it in accordance with law, and ensure its security are major tasks before us. In the following, I'm going to report to you about the current situation of our country's Internet development and management, development trends of the Internet, and the challenges we face and our measures in response, and share some of our ideas.

I. The Current Situation of Our Country's Internet Development and Management

The Central Committee of the Communist Party of China (CPC) attaches great importance to the development and management of the Internet. In the 16 years since China officially connected to the

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KEY TO HRIC TRANSLATION

Text that was originally in the May 4 version and deleted from the May 5 version is in bold, underlined and inside curly brackets, such as:

{<u>and online music market 1.79 billion RMB [$262 million]</u>}

Text that was not in the May 4 version and was added to the May 5 version is in italics, such as:

Internet security problems are becoming more conspicuous with each passing day.

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global Internet in 1994, the CPC Central Committee and the State Council have accurately grasped the new opportunities brought by the development of the Internet, and issued a series of important directives and policy decisions. Under the correct leadership of the Party,[1] all relevant sectors have conscientiously put into practice a series of guiding principles such as "active utilization, vigorous development, and scientific management," and vigorously promoted the construction and use of the Internet. [As a result,] our country's Internet has flourished: the size of our networks is continuously expanding, the level of our network application is continuously rising, and the web-based culture is continuing to thrive. The Internet has now become a new tool for production in modern society, a new method for scientific and technological innovations, a new vehicle for trade and commerce, a new platform for social and public services, a new channel for mass culture dissemination, a new space for activity and entertainment, and a tremendous force in promoting economic development and social progress.

1. We have continued to enhance the construction of our Internet infrastructure. As of 2009, our country had invested 4.3 trillion RMB [$632.4 billion] in the construction of Internet infrastructure, and built 8.267 million kilometers of fiber optic cable line. At present, about *99.3* **{99.1}** percent of townships and *91.5* **{92}** percent of villages are connected to the Internet, *96* **{95.6}** percent of townships have broadband access, and the 3G wireless network nearly covers the whole country. The improved Internet infrastructure has greatly promoted the use and popularization of the Internet. As of *late March 2010* **{now}**, the number of our country's Internet users has reached 404 million and the Internet penetration rate has reached *30.2* **{28.9}** percent of the entire population, surpassing the world average. There are 3.23 million websites in our country. *By the end of last December,* about 346 million Internet users access the Internet via broadband, and 233 million connect to the Internet via cell phones. The way our country's Internet users connect to the Internet has changed from using primarily dial-up to broadband and cell phones. Our country ranks first among developing countries in Internet development and popularization. In recent years, our country has vigorously pushed forward the integration of telecommunications networks, broadcast television networks, and the Internet. In January 2010, a decision was made at the Executive Meeting of the State Council to speed up the tri-network integration project, and a specific timeline set. At this moment, tri-network integration has reached the material stage. The development of tri-network integration will enormously increase the usage of web resources, making it faster and more convenient for people to use integrated multi-media services such as text, voice, data, image and video. Tri-network integration will promote the use of services such as mobile multimedia broadcast television, cell phone television, and the broadband Internet connectivity of digital television. It will promote the innovation of industry forms and advance the development of our cultural industry, information industry, and other modern service industries.

2. The Internet has advanced the adjustment of our industrial structure and the transformation of our economic growth model. The information industry, with the Internet at its core, has become one of the fastest growing industries in our country, ranking No. 1 in terms of its economic scale. It has become a pillar and vanguard industry in our national economy. The Internet has become a new platform for our national economy. According to statistics, the average annual growth rate of China's information industry over the past 16 years has exceeded 26.6 percent, with its share of the gross domestic product increasing from one percent to around 10 percent. The Internet is continuously integrated into the real economy.[2] We are using the Internet to transform and upgrade our traditional

industries, spurring the adjustments of traditional industrial structure and the transformation of economic growth patterns. The Internet has become a new strategic industry in our country's efforts to develop a low carbon economy. In 2008, the scale of the Internet industry reached 650 billion RMB [$95 billion] of which the sales volume of manufacturing of Internet-related products was close to 500 billion RMB [$73 billion], accounting for one-sixtieth of our country's gross domestic product and one-tenth of the total sales of the global Internet-related manufacturing sector. The total volume of our country's e-commerce has maintained an average annual growth rate of more than 40 percent over the past five years, hitting *3.6* **{four}** trillion RMB in 2009 [$527 billion]. Experts call the Internet the locomotive of [China's] economic development, propelling the national economy to a new stage.

3. The Internet has increased the government's capabilities in social management and provision of public services. The Internet has been widely used in areas such as education, science and technology, healthcare, and social security. It has improved government services, and has become an important platform for social and public service systems. In December 2004, our country made plans to "establish a robust open government information system to enhance the sharing of government affairs information and regulate efforts to socialize, add value to, develop, and utilize government affairs information resources." We decided to accelerate building the "three networks, one database" project, composed of a government agency business affairs network, a business affairs resource network, a government public information network, and an information resource database of government business affairs. In January 2006, the Central People's Government's web portal was launched. By the end of 2009, China had established more than 45,000 government web portals. About 75 Party and state government agencies, 32 provincial-level governments, 333 prefectural-level city governments, and more than 80 percent of county-level governments have established government affairs websites, offering all kinds of online services to facilitate people's work and life. Currently, we have achieved significant progress in constructing our major e-government projects, dubbed the "Twelve Golden," which refers to: Golden Bridge [public economic information], Golden Customs [customs], Golden Card [e-currency], Golden Tax [taxation], Golden Health [public health], Golden Finance [financial management], Golden Agriculture [agriculture], Golden Shield [Internet security], Golden Protection [labor and social security], Golden Water [flood control, drought relief, and meteorology], Golden Quality [quality control], and Golden Audit [state audit]. Public services information such as that relating to healthcare, labor, and social security is already in circulation. The construction of e-governments has proved effective in improving the efficiencies of governments at all levels and the degree of openness of government affairs.

4. The Internet has opened up and broadened the channels that connect the Party and our government with the masses. The CPC Central Committee attaches great importance to the public opinion voiced on the Internet and makes an effort to resolve the issues raised by netizens. Party General Secretary Hu Jintao (胡锦涛) and Premier Wen Jiabao (温家宝) have both communicated cordially with netizens on the websites of *People's Daily* and Xinhua News Agency, fully illustrating the great importance the CPC Central Committee attaches to public opinion on the Internet. Whenever a major policy is to be issued, governments at all levels will go to the Internet to seek opinions from the public. During their annual "Two Congresses," both the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC) have sought opinions through the Internet. Every year over the past three years, the NPC and CPPCC gathered several million suggestions through the Internet, which provided useful reference for drafting the "Report on the Work of the Government." The Internet has

provided a convenient and quick channel for the Party and the government to understand social conditions and the popular will, and to stay closely connected with the people. It has played an important role in helping the Party and the government fulfill people's wishes, meet their needs, and protect their interests. It has raised the standard of our efforts to rule in accordance with the law, to rule scientifically, and to rule democratically, and has advanced the construction of our country's socialist democracy.

{5. The Internet has broadened the front of our propaganda and ideological work. In recent years, we have used the Internet to vigorously organize and launch positive propaganda, and actively strengthen our abilities to guide public opinion. [As a result,] we have been able to play an important role in serving the overall interests of the Party and our country, and have achieved major innovations in the Party's propaganda and ideological work in the new era. We have meticulously organized propaganda work for a series of key events and topics, such as the 17th CPC National Congress, the Concept of Studying and Practicing the Principles of Scientific Development, the 2008 Beijing Olympics, the celebrations of the 60th anniversary of the founding of the People's Republic of China, and the annual "Two Congresses." [As a result,] positive public opinion surged with great momentum online, creating a favorable public opinion environment there. Government agencies at all levels and in all regions have gradually built mechanisms to guide public opinion through integrating the functions of propaganda departments and actual work departments, integrating online media and traditional media, and integrating major news websites and commercial websites. These mechanisms have continuously improved the capabilities and levels of public opinion guidance. Under the unified leadership of the Party, we organized initiatives to guide public opinion related to major emergency incidents, hot topics related to people's welfare, and key ideological issues. They included the March 14 Incident in Lhasa [Tibet Autonomous Region]; the July 5 Incident in Urumqi [Xinjiang Uyghur Autonomous Region], the earthquake rescue and relief efforts, educational and healthcare reforms, and the "Six Whys"[3] discussions. Those efforts provided powerful public opinion support for unifying thinking, consolidating strength, assisting in our diplomatic battles, and safeguarding our national interests. Our work to create an Internet public opinion front is currently developing by leaps and bounds. The daily page views of key state-run news websites have reached 520 million, a four-fold increase since 2002. About 44 news and commercial websites have launched foreign language channels. [As a result,] our ability to disseminate information to the outside world has markedly strengthened. These foreign language channels are becoming an important force in countering the hegemony of Western media and in bolstering our country's cultural soft power.}

5. **{6.}** The Internet is fast becoming an important vehicle of advanced socialist cultural development. In recent years, according to the requirements for developing an advanced socialist culture, we have vigorously built a web culture with Chinese characteristics, and stepped up efforts to digitize outstanding cultural projects and disseminate them online. Nationwide, we have built more than 10,000 cultural information resource sharing centers and service points. The National Digital Library, the National Digital Museum, and the National Digital Publishing Base are becoming operational. Libraries in large and medium-sized cities will soon be connected to a central network. The total number of online databases has reached 300,000. We have also vigorously promoted the online dissemination of the latest theoretical accomplishments in indigenizing Marxism in China. The coverage and influence of the CPC news websites are expanding by the day. Many CPC publications on

Communist theories, such as the "Seeking Truth" magazine, are being published both in print and online simultaneously. The "red blogs" on the websites of *People's Daily*, Xinhua News Agency, and *Guangming Daily* are popular among netizens. Meanwhile, the Internet cultural industry is developing fast and furious. In 2009, the size of the Internet advertising market was more than 20 billion RMB [$3 billion], online games market 25.8 billion RMB [$3.8 billion] **{and online music market 1.79 billion RMB [$262 million]}**. The thriving web culture has effectively met people's diverse spiritual and cultural needs, and facilitated the great development and great prosperity of the socialist culture.

While vigorously promoting the construction of the Internet, all relevant departments, in accordance with the requirements from the Party, are committed to development on the one hand, and management on the other, constantly innovating methods and measures to manage the Internet, enhancing efforts to manage the Internet in accordance with the law and manage it scientifically, and effectively protecting social stability and state security.

1. We have formed a preliminary management structure with clear divisions of responsibilities and closely coordinated joint management. **{We are following the overall thinking of combining Internet content management with industry management and security supervision; combining prior review and approval with supervision afterwards; combining technological blocking with public opinion guidance; combining hierarchical management with local management; combining government management with industry self-regulation; and combining online monitoring with offline management.}** We have set up a pilot management system that integrates legal regulation, administrative supervision, industry self-regulation, and technological safeguards. At the same time, we have also formed a management structure characterized by clear divisions of responsibilities and closely coordinated management. **{The Party and the central government have issued several documents, (2008) No. 8, (2004) No. 32, and (2007) No. 16, all of which, based on the conclusion from our practical experience and targeting the new situation and new characteristics of Internet development, clearly delineated the division of responsibilities among departments involved in Internet management. [With these directives,] we have gradually built a working system, in which departments [at various levels] within the Ministry of Industry and Information Technology take responsibility for industrial development and professional management, departments [at various levels] within the Ministry of Public Security take responsibility for security supervision and fighting crimes, and the external propaganda departments [at various levels] take the lead in information content management, with the participation of other departments [at various levels], such as those of culture; radio, film, and television; press and publication; education; public health; and industry and commerce. The central government has set up a joint conference system for the construction and management of web-based culture to coordinate the overall construction and management of web-based culture.}** Local departments everywhere have conscientiously implemented the Party's requirements and continuously strengthened localized management. We have formed a preliminary bi-level management system, a system that divides management between the central and local governments, and one that allows for relatively unobstructed command and smooth operations.

2. We have established a preliminary Internet legal system. To adapt to the development situation of the informatization of our country, we have vigorously promoted the construction of an Internet legal system that embodies our moral principles, guarantees citizens' rights and interests, maintains social

stability, regulates market order, and ensures our ideological security. We have promulgated the "Standing Committee of the National People's Congress, Maintenance of Internet Security Decision" and more than 30 other laws, administrative regulations, judicial interpretations, as well as department rules, that target the Internet. We have basically formed an Internet legal system that combines both specialized legislation and other types of legislation, a legal system that encompasses a wide range of laws and covers the key areas and key links of Internet management. These laws and regulations have provided the fundamental basis for managing the Internet in accordance with law and played an important role in safeguarding online information security.

3. We have established a preliminary basic Internet management system, to strengthen our supervision, in accordance with law, of basic Internet resources, key links, and information content services. [It consists of three major components.] First is to regulate the management of domain names, IP addresses, registration and record-filing, and connection services. Second is to establish an admission and exit mechanism for Internet information services. We are implementing, in accordance with law, a permission and examination and approval system to handle online information services involving ideological security and public interests. We are also establishing a robust series of management procedures relating to daily supervision, annual review, and administrative penalties, **{forming a working mechanism in coordination with relevant departments to handle harmful information and prevent the infiltration of harmful information from overseas. Third is to actively explore an Internet real name system. On major news websites and key commercial websites, we are implementing a system to require real-name identification of forum moderators and a function that successfully removes "anonymous comments" on news stories. We are also exploring an identity authentication system for users of online bulletin boards.}**

4. We have formed a preliminary Internet information security protection system. We are committed to the policy of "active defense and comprehensive prevention," and have proceeded from the specific conditions of our country, attached primary importance to our own country, and taken initiatives to strengthen the construction of a web-based information security protection system. We have formed a preliminary web-based information security protection system that emphasizes both security and development and combining management and technology. We are implementing, step by step, a system of graded protection of information security.[4] We continue to standardize the risk assessment management of the nation's basic information networks and key information systems. **{We have extended the functions of responding to information security emergencies to key Internet operators. The emergency response procedures are becoming more systematic. We have built up our technological research and development capabilities and initiated major national special science and technology projects, such as "Core High-end Basic" [Core electronic parts, High-end general chips, and Basic software products]. The technological standards of our country's software and hardware products have markedly improved.}**

5. Purifying the Internet environment has won the hearts of the people. In accordance with requests from the Party, relevant departments are committed to combine cracking down with prevention, penalties with education, and daily supervision with centralized rectification. We have carried out a series of special operations nationwide to crack down on Internet and cell phone pornography and obscenities, and rectify vulgarities and violence on the Internet. Those operations have won support from all sectors of society. Under the forceful guidance of the Party, we launched two special

rectification campaigns last year to rectify vulgarities on the Internet and further rectify pornography and obscenities and vulgarities on the Internet and through cell phone media. We closed down 13,000 websites that offered pornographic and obscene and vulgar contents; and Internet service providers at all levels initiated their own self-regulatory measures and ceased offering access services to 32,000 websites. We blocked 43,000 pornographic websites through search engine functions, shut down and blocked 11,000 pornographic cell phone websites, and ferreted out a group of illegal providers of access services and fee collection agencies. Public security agencies successfully solved 3,310 criminal cases and arrested 5,510 criminal suspects. Through rectification, online pornographic and obscene contents have been markedly reduced, online vulgarities have been markedly curbed, and the Internet environment has markedly improved. These measures have won enthusiastic praise and vigorous support from all sectors of society.

6. We have actively engaged in international exchanges and cooperation. Our country has initiated dialogues and exchanges with more than 70 countries and international organizations, to explain our Internet management policies, to present them with the latest accomplishments in our Internet construction, to elaborate our views on the Internet and on security, to counter the smear attacks by hostile forces in the West, and to increase recognition and understanding of our Internet management model by the international community. Since 2007, the annual China-U.S. Internet Forum and the China-UK Internet Roundtable have received positive feedback from the international community. Relevant departments are actively participating in international Internet management research and cooperation and in relevant international academic exchanges, and supporting the participation of universities and enterprises in formulating international technological standards. We are also joining other relevant countries and international organizations in combating problems such as hacker attacks, spam, and Internet pornography and obscenities.

Overall, under the correct leadership of the CPC Central Committee, the development of our country's Internet has achieved remarkable results. It has greatly promoted overall progress in our economic, political, cultural, and social construction. Our Internet management work has also proved effective. It has withstood the tests of a series of major incidents, and vigorously protected our national security, information security, cultural security, and social stability.

II. Current Internet Development Trends and the Key Challenges We Face

At the present time, driven by new technology, there are constant changes in the world's Internet development. Some new characteristics have emerged:

The first is the accelerated extension of the traditional Internet into the mobile Internet. The increasing maturity of mobile telecommunications technologies is driving the rapid extension of the traditional Internet into the mobile Internet, and the further accelerated pace of the convergence of two major information industries—the mobile telecommunications and Internet industries. Currently, many countries in the world are racing to build their mobile Internet. Well-known international cell phone manufacturers and Internet companies are stepping up their technology research and development efforts, intending to seize a commanding position in the area of mobile Internet. As the 3G wireless technology is maturing by the day, the level of cell phone "intelligentization" continues to rise and the

cost for mobile Internet access has drastically decreased. Mobile Internet usage has spread rapidly.

The second is the extensive use of the "Internet of Things." This concept comes from the fact that each piece of electronic equipment can become a terminal, and be connected to the Internet. Before each television set, computer, air conditioner, water heater, or electromagnetic stove is shipped out from the factory, it would be equipped with a chip with an IP address. Then, the information would be sent wirelessly to the Internet or mobile Internet. Thus, all the equipment would be linked. People could control their equipment through the Internet. The "Internet of Things" represents a completely new phase in the development of the Internet and it will have a profound impact on the way we work and live.

The third is that "cloud computing" technologies will make it faster for Internet users to obtain information. **{At present, there's a popular saying in the Internet industry: "Whoever seizes that cloud will control the future." That "cloud" refers to "cloud computing."}** The cloud is a cluster of computers. It means gathering computers in different locations to provide computing services for companies or individual users. Each cluster consists of hundreds of thousands of computers or even millions of computers. Internet users can use a simple function on a computer to log onto the Internet and lease "cloud space." Large data-processing centers can help individual users keep their own data and records. The information will be shared by a designated group of people, who can revise or connect with each other simultaneously. **{At present, computers are still essential tools in our cyber lives. We use them for word processing and data storage. If the computer hard disk is broken, all material would be lost. In the future, the "cloud" will help us store data and do computations. We will not need to install application software on our telephones, we can use the software by directly connecting to the Internet. We will not need to store data on our own computers; all data will be stored on a professional server and we can access it at any time and any place. In the future, we will need only a computer or a cell phone, and we can do everything through the "cloud."}** Currently, *some* big international computer and Internet companies **{such as IBM, Google Inc., and Yahoo! Inc.}** have invested enormous amounts in speeding up the research and development of "cloud computing" technologies, and have achieved breakthroughs in some key technologies.

With the rapid evolution of Internet-based technologies, there have been four new changes in our country's Internet development in recent years. First is in the forms of information. Text-based communication is moving toward multi-media forms of audio, video, and still images. At present, information transmitted in audio, video, and other multimedia forms accounts for more than 50 percent of Internet traffic. This has greatly enriched the forms in which online information is presented, but also increased the difficulty in the supervision of information content security. Second is in the area of use. Our country's Internet has been expanding from information dissemination and entertainment consumption to commerce and services. The Internet is gradually becoming more deeply and broadly entrenched in the national economy. This fact will have a positive impact on optimizing the online consumer spending structure and promoting the transformation of our economic development model. At the same time, this has set a higher demand for building Internet integrity. Third, in terms of service models, the Internet is expanding from providing information to providing platform [i.e., interactive] services. The Web 2.0 service model, characterized by blogs and podcasts, has made online platform [i.e., interactive] functions more prominent. Internet users are not only consumers of information, but also its providers and creators. This has greatly enriched content on the Internet, but also set a higher demand on Internet users to abide by the law and learn to

discipline themselves. Fourth is in the area of communication methods. Traditional Internet is expanding to mobile Internet. Accessing the Internet via cell phones has become a new trend. Since new forms of mobile Internet media are emerging quickly, the mobile Internet market is expanding. This has greatly broadened the channels of online information dissemination, but set a higher demand for regulating the orderliness of online information dissemination.

The rapid development of our country's Internet has raised the level of informatization in our country, and promoted our country's economic and social development. At the same time, it has brought new problems and challenges. **{The situation we are facing is becoming acutely complex with each passing day.}**

Internet security problems are becoming more conspicuous with each passing day: Online harmful information such as pornography and obscenities are seriously harming the physical and mental health of minors. Criminal activities such as online fraud and theft are seriously harming public security. Computer viruses and hacker attacks are posing serious threats to the security of the operation of the Internet. Leaking of secrets via the Internet is posing serious threats to national security and interests **{. The causes of problems online are extremely complex. Judging from the technological characteristics of the Internet, the Internet is a global open-information system. As long as our country's Internet is linked to the global Internet, there will be channels and means for all sorts of harmful foreign information to appear on our domestic Internet. As long as our Internet is open to the public, there will be channels and means for netizens to express all sorts of speech on the Internet. Judging from our country's social development, our country is currently in a period of social transformation, rapid development, and conspicuous contradictions. Unavoidably, actual contradictions and problems in our society are reported on the Internet. Judging from our country's Internet management practices, we are still in the process of exploration and improvement. Many weak links still exist in our work. These problems have weakened our ability to manage the Internet scientifically and effectively,}** *These problems have restricted the healthy* and sustainable development of the Internet and affecting the overall situation of our reform and development. We must pay special attention to resolving these problems.

III. Further Promote the Scientific, Healthy, and Orderly Development of Our Country's Internet

{First, we need to clearly define the guiding principles for developing and managing our country's Internet. Facing the current complex situation, we must take the Deng Xiaoping theory and the important thinking in the "Three Represents" as guidance. We must thoroughly put into practice the concept of scientific development and be committed to the policies of "active utilization, scientific development, management in accordance with law, and security guarantee." We must liberate our thinking, seek truth from facts, advance with the times, break new ground and innovate, take into consideration the overall situations both domestically and internationally, and take into consideration the present as well as the future. We must also be committed to unifying Internet development and management, unifying administrative and legal measures, unifying industry development and Internet security, unifying compliance with international norms and adaptation of those norms to China's national conditions. We must promote the scientific, healthy,

and orderly development of our country's Internet, advance the overall progress in our country's economic, political, cultural, and social construction, safeguard social harmony, stability, and national security, and blaze a new trail of Internet development and management with Chinese characteristics. }

1. We will further improve the level of Internet development and utilization. **{Following 16 years of rapid development, our country's Internet industry has achieved remarkable results. However, the overall level [of development and utilization] is still not high.}** The Internet penetration rate, its usage level, its contribution to the national economy, and its international competitiveness still lag considerably behind those of Internet-developed countries such as the United States. This requires that we start at a new point and further accelerate development, and promote the good and fast scientific development of the Internet, in order to develop solutions to problems in the course of development. **{The most pressing tasks at present are to further clarify the overall strategic thinking on Internet development,}** *We need to* accelerate the adjustment of Internet application structures, vigorously develop Internet applications that help promote our country's economic construction and improve the level of our country's online public services, advance the coordinated development of the Internet in the economic, political, and social spheres, vigorously advance the development of e-commerce, e-government, and e-education, accelerate content building in all categories to serve the people, provide convenience to people and benefit people, and guide people in using the Internet widely in their work, study, and commercial activities. We must form a web application system that is rationally structured, well-proportioned, harmoniously developed, and healthily regulated. At the same time, we must strengthen the research and development of core Internet technologies, launch major research projects to tackle key problems, raise our capacity to innovate independently, master leading core technologies, and improve the overall development level of our country's Internet.

2. We must enhance the creation and production of web cultural products. We will meet the needs of the tri-network integration, and develop a web culture with Chinese characteristics, to provide more and better web cultural products and services for the people and ensure that positive and healthy web cultural products occupy the leading position on the Internet. [There are three major tasks.] First is to provide guidance and support to online cultural projects. We will formulate and advance plans to develop online culture, speed up the development and utilization of information resources, push forward the construction of major online cultural projects such as a Chinese digital library, a national knowledge resource database, and digital and multimedia research and development, and construct a public cultural information service system. Second is to provide guidance and support to online cultural innovation. We will use the wide-ranging and profound Chinese culture as an important source of web culture, and push forward the digitalization of traditional cultural treasures and original contemporary works, and put them online. We will strive to create an array of new online cultural brands that possess Chinese style, reflect the spirits of the times, and exhibit elegant taste. Third is to provide guidance and support to the online cultural industry. We will speed up the merging of traditional cultural industry with the Internet cultural industry, encourage strategic investments in web cultural enterprises by the state sector, and nurture a group of state-owned or state-controlled robust web cultural enterprises or conglomerates to continue to improve the scope and professional levels of Internet cultural creation and production.

{3. We must intensify our efforts to guide public opinion online. We will establish and perfect a

mechanism to study and correctly judge public opinion online, so that we can grasp its trend and promptly detect early signs of or the tendency toward development of a problem. We will strengthen our capacity for early warning of breaking news or hot topics. We will further perfect our mechanism to guide online public opinion, forming a working structure for guiding online public opinion that coordinates propaganda, guidance, and management, so that they act in concert, with departments in charge of online propaganda being the overall coordinators, other work departments taking the initiative to respond, and major news websites being the main channels of communication. When local governments or departments issue a major policy work decision, or handle a major emergency incident, they must be committed to the principles of timeliness, accuracy, openness, and transparency. They should formulate a contingency plan to guide online public opinion, promptly provide answers to netizens with doubts, avoid misstatements at critical times, and avoid missing opportunities to guide public opinion. In accordance with the overall requirements from the Party with regard to cultural system reform, we must speed up the pace of structural reform of major news websites, implement major initiatives such as installing search engine functions on major state-run news websites, and establishing a national web television station. We must further strengthen the overall competitiveness of major news websites, and strengthen their abilities to disseminate information to the outside world, initiate targeted international public opinion battles, and create an international public opinion environment that is objective, beneficial, and friendly to us.

4. We must strengthen the construction of a legal system for the Internet. Based on the specific conditions of our country, we will draw on the useful experience of the international community and perfect our Internet legal system. We will strengthen the planning and overall coordination of legislation relating to the Internet, strengthen forward-looking research relating to Internet laws and regulations, and regularly comb through our current laws related to Internet management, administrative regulations, and departmental rules, and, based on the actual needs of Internet development and management work, promptly draft new legislation, amend current laws and regulations, repeal provisions that are incompatible with actual practices, bolster judicial interpretation, and strengthen the operability of laws and regulations. We recommend that the "Rules for the Implementation of 'The decision of the National People's Congress Standing Committee on Safeguarding Internet Security'" be formulated and promulgated, in order to further clarify the criteria for identifying harmful information, the key enforcement bodies, and specific handling procedures. We will enhance our work in amending laws and regulations, such as "Telecommunications Regulations of the People's Republic of China," "Administration of Internet Information Services Procedures," "Administration of Internet Electronic Messaging Services Provisions," "Registration Administration Measures for Non-Commercial Internet Information Services," "Administration of Internet Domain Names Procedures," and "Administration of Record-filing of Internet IP Address Procedures." Through legislation, we will further clearly define the overall lawful rights and obligations as well as the legal responsibilities of an entity, such as a domain name registration service provider, an Internet connection service provider, an information service provider, or an information distributor. We will issue at the earliest possible time the "Administration Procedures of Mobile Media Service" to provide the legal basis for managing mobile media and implementing real name registration of cell phones. In response to the new situation related to the development of network information, we will speed up amending laws and regulations, such as criminal laws, administrative laws and the State Secrets Law. We will

accelerate research on a set of basic laws on Internet management, and initiate the legislative process for the "Internet Administration Law" as early as possible. We are doing research to formulate an "Information Secrecy Law" to clearly define the basic principles of Internet and information security laws, and the basic rights, obligations, and responsibilities of any entity in all categories.}

3. **{5.}** We will further strengthen the basic management of the Internet. First, we will further strengthen our efforts to manage domain names, IP addresses, registration and record-filing, and connection services. We will strictly implement regulations related to the management of domain names registration, and IP address record-filing. We will perfect the website registration and record-filing system, and increase our ability in the daily supervision of connection service companies, strictly forbidding them from providing connection services to unregistered or unapproved Internet or cell phone websites. **{Second, we will actively and steadily implement the Internet real name system. We will make the Internet real name system a reality as soon as possible, implement a nationwide cell phone real name system, and gradually apply the real name registration system to online interactive processes. Third, we will establish a robust online information security system. We are doing research to formulate a set of application norms and security standards for new Internet technologies and services. We will establish an information security assessment mechanism for new Internet technologies and services, as well as for foreign enterprises entering China's Internet market.}** We will build a robust information security and responsibility system for telecommunications companies, Internet operators, connection service providers, and domain name registration service organizations. We will perfect our information security protection measures.

4. **{6.}** We will intensify our capacity to crack down on harmful information on the Internet and online criminal activities. **{We will perfect our system to monitor harmful information on the Internet, and strengthen the blocking of harmful information from outside China, to effectively prevent it from being disseminated in China through the Internet, and to withstand infiltration of the Internet by overseas hostile forces.}** We will strictly regulate the orderly dissemination of information on the Internet, improve our efficiency in handling harmful information on the Internet, strictly prevent the large-scale dissemination and proliferation of harmful information on the Internet, and maintain social harmony and stability. We will continue with our specialized campaigns to clean up and rectify the Internet, cracking down on cyber crimes such as pornography, gambling, and fraud on the Internet. We will harshly punish offenders, regulate Internet security order, and purify the web environment.

{7. We will make our Internet management system run smoothly. We will consult useful Internet management experience from overseas and integrate it into the actual development and management of our country's Internet. In accordance with the principles of "combining integration with division, establishing a relatively centralized management system, clarifying duties and responsibilities, and correlating authorities and responsibilities," we will, as soon as possible, make our system run smoothly, and establish an Internet management system that is beneficial to solving the actual problems in the current management of the Internet and to long-term construction—a system that is beneficial to strengthening the duties of key departments in charge of Internet management and to bringing out the enthusiasm of other related departments, a powerful Internet management system that is in keeping with international norms and imbued with Chinese characteristics, that will raise the effectiveness of Internet management.

To promote the scientific, healthy, and orderly development of the Internet, we need the support of laws and regulations. Under the forceful direction and energetic support of the NPC, we have achieved significant progress in the construction of our Internet legal system. We are able to promote the development of the Internet in a regulated manner and improve our regulatory environment in the process of development. At present, the development of our country's Internet has reached a critical stage, with new and even greater requirements for management that is open and in accordance with the law. We hope the NPC will continue to offer us guidance, help, and support, so that we can make new strides in managing our Internet in accordance with the law.

Thank you, everyone.} ◆

Translator's Notes

1. The term in Chinese, 中央—unlike 党中央, which means the Central Committee of the Communist Party of China (CPC)—can mean either the "Party" or the "central government." Throughout this translation, 中央 is rendered as either the "Party" or the "central government," or both, as is appropriate in the specific context.

2. While its meaning is unclear, the term "real economy" is also used in "The Internet in China," the official translation of the white paper on the Internet issued by the Information Office of the State Council of the People's Republic of China (June 2010).

3. In May 2009, the Theorist Bureau of the Propaganda Department of the CPC published *Six Whys—Answers to Several Important Questions* [六个为什么—对几个重大问题的回答]. The six questions in this book form a political framework of why Marxism should be China's guiding ideology. In discussing these six questions, the CPC reiterates the goal of achieving unified national thinking. The six questions are: (1) Why we need to uphold Marxism as our guiding ideology, and cannot allow plural ideologies; (2) Why only socialism can save China and only China's unique socialism can develop China, and not social democracy and capitalism; (3) Why we need to uphold the People's Congress system, and not separation of powers; (4) Why we need to uphold the multi-party cooperation and political consultation system led by the CPC, and not the Western multi-party system; (5) Why we need to uphold an economic system that is predominantly one of public ownership and multi-sector development, and not privatization or a system that is wholly public-owned; (6) Why we need to insist on reform and opening up, and cannot turn back from our development. See News of the Communist Party of China (CPC) [中国共产党新闻网], "Understanding the Six Whys" [深入解答与社会主义核心价值体系建设密切相关的六个重大问题], News of the CPC, http://theory.people.com.cn/GB/40557/145802/.

4. This is a reference to the five levels of security classification as stipulated in the "Notice of the Ministry of Public Security, the State Secrecy Bureau, the State Cipher Code Administration and the Information Office of the State Council on Printing and Distributing the Administrative Measures for the Graded Protection of Information Security" [公安部、国家保密局、国家密码管理局、国务院信息工 作办公室关于印发《信息安全等级保护管理办法》的通知], issued by Ministry of Public Security, State Cryptographical Administration [公安部、国家密码管理局], promulgated June 22, 2007, and effective on June 22, 2007, available at http://www.lawinfochina.com/Law/displayModeTwo.asp?id=6401&keyword.