

Graft crackdown results reflect resolve

Ongoing reform of the national supervision system is set to further consolidate anti-corruption efforts

By ZHANG YAN

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As part of the sweeping campaign against corruption since late 2012, 120 former officials at or above vice-ministerial level were investigated for graft in the past five years, compared with 30 in the previous five years, according to the top procuratorate.

A total of 254,419 officials were investigated for duty-related offenses, such as bribery or dereliction of duty, from 2013 to 2017, up by 16.4 percent compared with 2008 to 2012, Cao Jianming, procurator-general of the Supreme People's Procuratorate, said in a work report to the top legislature on March 9.

National lawmakers said the achievement reflects the central leadership's strong determination to eradicate corruption, and they are expecting that ongoing reform of the national supervision system will further consolidate anti-corruption efforts.

Among the "tigers" felled by the anti-graft campaign were Zhou Yongkang, a former member of the Standing Committee of the Political Bureau of the Communist Party of China Central Committee; Sun Zhengcai, former secretary of the Chongqing Municipal Committee of the CPC; and Ling Jihua and Su Rong, former vice-chairs of China's top political advisory body, Cao said.

The court system has concluded graft cases involving 101 former officials at or above vice-ministerial level in the past five years, according to the Work Report of the Supreme



Chief Justice Zhou Qiang delivers the Supreme People's Court Work Report to the 13th National People's Congress in Beijing on March 9.

People's Court delivered by Chief Justice Zhou Qiang to the National People's Congress (NPC) on March 9.

"We've maintained high pressure on graft and improved our judicial mechanism for handling job-related crimes," he said.

Prosecutors have also paid more attention to crimes related to offering bribes and accused 37,277 people of "hunting officials" — a term used to describe those who try to bribe officials. The number is up by 87 percent, Cao said.

Corruption at lower levels also has been resolutely targeted, as 62,715 corrupt grassroots officials were charged in the past five years, such as those in charge of local agriculture, housing demolitions, social welfare

and poverty alleviation, he said.

"It's not an easy task, and I believe the campaign faced resistance in the beginning, but it carried on and has achieved impressive results," said Yang Fan, an NPC deputy from Chongqing in Southwest China.

Cao said authorities this year will continue working hard with supervision commissions at all levels to continue anti-graft work.

China is witnessing a fundamental change in the anti-corruption system as the NPC reviewed the country's first law on supervision on March 13, which aims to give a legal footing to supervisory commissions and detail how the commissions work, as well as their duties and obligations.

The law will bring all public offi-



Procurator-General Cao Jianming delivers the Supreme People's Procuratorate Work Report to lawmakers in Beijing on March 9.

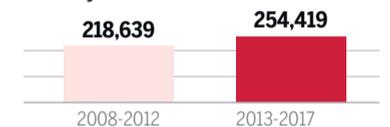
cers, including civil servants and those working for public schools and medical institutes, under supervision, which means the fight against corruption will cover every public corner, said Ma Huaide, vice-president of the China University of Political Science and Law.

Sharing offices and staff with disciplinary inspectors of the CPC, these supervisory commissions incorporate existing supervisory, corruption prevention and control agencies within governments and procuratorates to target graft more efficiently and effectively, Ma said.

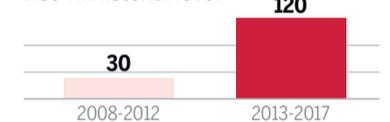
Ding Zhaomin, an NPC deputy from Northeast China's Jilin province, said he believes the reform will better supervise those exercising

INCREASE IN INVESTIGATIONS

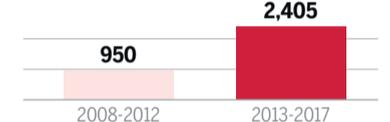
Number of officials investigated for duty-related offenses:



Number of officials investigated for corruption at or above vice-ministerial level



Number of officials investigated for corruption at department chief level, a level lower than vice-ministers



Source: Supreme People's Procuratorate
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public power and ensure the healthy development of Chinese society.

Chief Justice Zhou Qiang also said on March 9 that courts have strengthened efforts against wrongful convictions in the past five years, with the aim of better protecting human rights and upholding justice.

Courts around the country overturned 6,747 criminal cases between 2013 and 2017, and pronounced 4,874 defendants "not guilty" over the period, he said.

Tan Yingzi contributed to this story.

Alarm over rising consumer debt

Banking regulator raises red flag as rapid increase in individual loans can outpace savings rate

By JIANG XUEQING

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China must pay more attention to cutting its consumer leverage ratio due to rising risks in the financial sector from the rapid growth of household debt, according to the top banking watchdog.

The country has emphasized the need to cut corporate and government debt, but "we've noticed that the consumer leverage ratio also needs lowering", Guo Shuqing, chairman of the China Banking Regulatory Commission, said on March 9.

The term refers to the ratio of a

household's total debt to its personal disposable income.

"Currently, people aren't highly alert to the problem that individual and household loans for home purchases and investment have been growing at a rapid rate. It's very dangerous," Guo said on the sidelines of this year's session of the National People's Congress in Beijing.

"China has a high savings rate. It used to be a huge advantage, but we'll lose that advantage if borrowing grows faster than savings," he added.

His comments came on the same day that Pan Gongsheng, vice-gov-

ernor of the People's Bank of China, said the central bank had also noticed that both home mortgage loans and the consumer leverage ratio were rising too fast.

In addition to deleveraging, Guo said regulators will step up efforts to restore market order and control cross-sector financial risks, with a focus on shadow banking activities, such as interbank business and off-balance-sheet business.

The commission will also further regulate the trust business and online financing, both of which are weak links in the banking sector, he said.

Putting some off-balance-sheet

lending into the framework of balance-sheet management is a "normal and beneficial" structural adjustment and will not have a major bearing on interest rates, Zhou Xiaochuan, governor of the central bank, said on March 9.

China has strengthened financial regulations and broadened regulatory oversight to include products not counted on the balance sheets of financial institutions, such as so-called wealth management products, to forestall financial risks.

Zhou said the adjustment is based on normal regulatory and accounting requirements and will not affect

overall financial figures.

The rectification began last year and has already taken effect, according to authorities, which reported a sharp decline in interbank assets and liabilities. By the end of January, the volume of wealth management products was up by only 1 percent year-on-year.

The off-balance-sheet business had also shrunk, and the volume of trust loans and entrusted loans was decreasing.

"These changes tell us that the trend of bank funds flowing from the real economy to the virtual economy has been contained," Guo said.