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Foreword

A crystallization of human wisdom, the Internet is a significant technological invention of the 20th century and a major symbol of contemporary advanced productive force. The Internet has brought about profound impacts on the world economy, politics, culture and social progress, and promoted the transformation of social production, daily life and information dissemination.

The Chinese government fully understands the Internet's irreplaceable role in accelerating the development of the national economy, pushing forward scientific and technological advancement, and expediting the informational transformation of social services, and places emphasis on and actively supports Internet development and application. It deems the development of the Internet to be an important booster of nationwide information technology (IT) application, sound development of the economy and society, enhancement of scientific and technological innovation, and livelihood improvement. It has worked out policies and regulations, and created market conditions conducive to the development of the Internet. By improving the national information network infrastructure, launching state key information network projects, fueling relevant scientific and technological R&D, training IT personnel, and fostering a market with diversified information and communication services, the government endeavors to promote the sustained, sound and rapid growth of the Internet in China so as to meet people's increasing demands for information.

The Chinese government energetically advocates and actively supports the development and application of the Internet across the country. Along with the robust growth and spread of the Internet, profound changes have taken place in and will continue to impact the country's production, daily work, education and lifestyle. China now boasts the most Internet users in the world.

To build, utilize and administer the Internet well is an issue that concerns national economic prosperity and development, state security and social harmony, state sovereignty and dignity, and the basic interests of the people. The government has a basic policy regarding the Internet: active use, scientific development, law-based administration and ensured security. The Chinese government has from the outset abided by law-based administration of the Internet, and endeavored to create a healthy and harmonious Internet environment, and build an Internet that is more reliable, useful and conducive to economic and social development.

The Chinese government will constantly adjust relevant policies to better match the inherent law and the objective requirements of the development and administration of the Internet. While absorbing good experiences of other countries in developing and controlling the Internet, China is prepared to work with them for the further progress of the Internet.

This white paper introduces the facts of the Internet situation in China, and elaborates on China's basic policies on the Internet and basic views on relevant issues, thereby providing an overall picture to the Chinese people and the peoples of the rest of the world of the true situation of the Internet in China.

I. Endeavors to Spur the Development and Application of the Internet

China's government and people warmly greeted the advent of the Internet era. In the mid- and late-1980s, Chinese researchers and scholars began to explore the use of the Internet with the assistance of overseas colleagues. At both the 1992 and the 1993 INET annual conferences, Chinese computer specialists called for Internet access for the Chinese public as a whole, which received support from their overseas colleagues. During the Sino-US Joint Committee of Science and Technology meeting held in Washington in April 1994, the Chinese representatives reached a consensus with the US National Academy of Sciences on China's access to the Internet. On April 20 a pilot network to serve education and scientific research was linked to the Internet via the 64K special line in Beijing's Zhongguancun district. This full-function connection marked China's formal access to the Internet.

China takes Internet development as a significant opportunity to boost its reform and opening-up policies and modernization drive. The government has worked out a series of policies for Internet development, defining the phased priorities to boost IT application across the country.

In 1993 the State Economic Informationization Joint Meeting was initiated to lead the construction of a national network of public economic information. In 1997 the Ninth Five-Year Plan for State Informationization and the Long-range Objective of the Year 2010 was formulated, which listed the Internet as part of the state information infrastructure, and set the goal of pushing forward national economic informationization by vigorous development of the Internet industry. In 2002 the Specialized Plan for Informationization in the Tenth Five-Year Plan for National Economic and Social Development was promulgated, which defined China's priorities in this regard, including promotion of e-government, vigorous development of software industry, strengthening of development and utilization of information resources, and acceleration of the development of e-commerce. In November 2002 the 16th National Congress of the Communist Party of China (CPC) set the goal of "using IT to propel industrialization, which will in turn stimulate IT application, blazing a new trail to industrialization." In November 2005 the State Informationization Strategy (2006-2020) was formulated, which further clarified the priorities of Internet development as promoting national economic informationization while adjusting the economic structure and transforming the patterns of economic growth; building e-government while enhancing the capability of governance; and spurring the informationization of social services while building a harmonious society.

In March 2006 the National People's Congress (NPC) reviewed and adopted the Outline of the 11th Five-Year Plan for National Economic and Social Development, which envisaged the speeding up of the integration of the networks of telecommunication, radio, television and the Internet, to build the next-generation Internet and accelerate its commercial application. In April 2007 the Political Bureau of the CPC Central Committee decided to build up a cyber culture industry and the production of relevant facilities. In October 2007 the 17th National Congress of the CPC developed the strategy of "developing a modern industrial system, integrating IT application with industrialization, and turning scale-oriented industries into strength-oriented industries." In January 2010 the State Council decided to accelerate the integration of the networks of telecommunication, radio, television and the Internet, so as to promote the development of the information and culture industries. Thanks to government support and definite policy guidance, the Internet has been led onto a track of comprehensive, sustained and rapid development in China.

China has injected enormous sums of money into Internet infrastructure construction. From 1997 to 2009 a total of 4.3 trillion yuan was invested in this regard, building a nationwide optical communication network with a total length of 8.267 million km. Of that, 840,000 km was long-distance optical cables. By the end of 2009 Chinese basic telecommunications companies had 136 million broadband Internet access ports, and international outlet bandwidth was 866,367 Mbps, with seven land-submarine cables and 20 land cables, that had a combined capacity exceeding 1,600 Gb. That ensured Internet access to 99.3% of Chinese towns and 91.5% of villages, and broadband to 96.0% of the towns. In January 2009 the government began to issue third-generation (3G) licenses to mobile service suppliers. Today, 3G network covers almost the whole country. Along with the swift expansion of the mobile Internet, more people will benefit from this technical advance.

The construction and improvement of the Internet infrastructure has beefed up the spread and application of the Internet. By the end of 2009 the number of Chinese netizens had reached 384 million, 618 times that of 1997 and an annual increase of 31.95 million users. In addition, the Internet had reached 28.9% of the total population, higher than the world average. At the same time, there were 3.23 million websites running in China, which was 2,152 times that of 1997. The number of IPv4 addresses approached 230 million, making China the second-largest owner in the world. Of all the netizens, 346 million used broadband and 233 million used mobile phones to access the Internet. They had moved on from dialing the access numbers to broadband and mobile phones. These statistics make China among the top of the developing countries in developing and popularizing the Internet.

The Chinese government vigorously supports the R&D of the next-generation Internet, beginning in the late 1990s, when it launched the "Next-Generation High Credibility Network" and relevant technological projects. In 2001 the first NFCNET was completed in Beijing. In 2003 the China Next-Generation Internet (CNGI) began, signaling the start of a massive R&D program in China and the construction of the next-generation Internet. So far, it has built the world largest IPv6 demonstration network, which uses world-level technologies such as IPv6 router technology with small and medium capacity, true IPv6 source address validation technology, and next-generation Internet transition technology. The technical proposals China raised regarding domain names internationalization, IPv6 source address validation, and IPv4-IPv6 transition technology have been accepted by the Internet Engineering Task Force (IETF), and incorporated into the Internet international standards and protocol.

However, Internet development and application in China is imbalanced regionally, and between urban and rural areas. Hindered by different levels of economic development, education and informationization progress, the Internet has been developing more rapidly in the eastern than in the western parts of the country, and has a higher popularization rate in cities than in the countryside. By the end of 2009 it had reached 40% of the population in eastern China but only 21.5% in western China; and urban Internet users made up 72.2% of the national total, leaving the other 27.8% in rural areas. China still needs to make arduous efforts to bridge the "digital gap" between different regions and between the urban and rural areas.

The Internet in China has been developing along with the country's reform and opening-up. It conforms to the requirements and promotes the progress of China's reform and opening-up. As China's economy and society continue to make swift progress, and people's demands for cultural products keep increasing, the Internet will reach more people, who in turn will make higher demands on it. The Chinese government is determined to further promote Internet development and application, and raise its accessibility to 45% of the population in the coming five years, so that more people can benefit from the Internet.

II. Promoting the Extensive Use of the Internet

The Internet is helping promote the economic and social development of China. In the economic sector, the Internet has spread its influence into traditional industry, which leads to the emergence of new business models and service economy, generating new types of industries. The Internet is playing an increasingly important role in promoting economic restructuring and transforming the pattern of economic development. It has become an indispensable tool in people's life, work and studying, exerting a profound influence on every aspect of social life.

The Internet has become an engine promoting the economic development of China. IT including the Internet and its industry has made significant contributions to the rapid growth of the Chinese economy. In the past 16 years the average growth rate of the added value of Chinese IT industry grew at over 26.6% annually, with its proportion in the national economy increasing from less than 1% to 10%. The combination of the Internet and the real economy, the reform and enhancement of traditional industry through IT, have given an impetus to the restructuring of traditional industry and changing of the pattern of its development. In China, the application of informationization in industrial design R&D, digitalization of production equipment, intelligent production processes and network-based operation and management are rapidly enhanced. The development and application of the Internet has given rise to the emergence of many new industries. Services for the development of industries such as industrial counseling, software service and outsourcing are mushrooming. The role of IT in promoting independent innovation, energy conservation, emission reduction and environmental protection has become ever more prominent. The Internet has emerged as a new strategic industry in China's development of low-carbon economy. In 2008 Internet-related industries generated a turnover of 650 billion yuan, with sales of Internet-related equipment reaching 500 billion yuan-worth, accounting for 1/60 of China's GDP, and 1/10 of its global trade. Its software operations had a turnover of 19.84 billion yuan, up 26% over 2007.

E-commerce is undergoing rapid development. The e-commerce of large enterprises has expanded from online information release, purchase and sales to integrated online web design, manufacture and management between upstream and downstream enterprises. Small and medium-sized enterprises have strengthened their awareness of the application of e-commerce, and the number of enterprises using e-commerce is on a steady increase. Online retailing is expanding quickly, and its market is being gradually regulated. According to a sample survey, over 50% of big enterprises have established e-commerce system, over 30% of small and medium-sized companies find their product suppliers through the Internet, 24% of them are engaged in marketing via the Internet, and there are over 100 million online buyers in China. In 2009 the trade volume of e-commerce in China surpassed 3.6 trillion yuan-worth. Specialized e-commerce services are taking shape. The supporting systems such as digital authentication, e-payment and logistics are being gradually formed.

The Internet also helps promote the development of the culture industry. Online gaming, animation, music and videos are emerging rapidly, greatly multiplying the overall strength of the Chinese culture industry. In the past five years, the average annual increase rate of online advertisement has maintained a level of 30%, with its turnover reaching 20 billion yuan in 2009. The online gaming industry in China had a turnover of 25.8 billion yuan in 2009, an increase of 39.5% over 2008, ranking top in the world. Online literature, music, radio and television in China have all witnessed rapid development. The increasingly expanding cyber culture consumption is encouraging the birth of many new industries and spurring the growth of the business income of telecommunications services. By March 2010 more than 30 Chinese Internet-related companies had been listed in the United States and Hong Kong, as well as on China's mainland. Cyber culture has become an important component of the Chinese culture industry. The Chinese government puts great efforts into spreading China's splendid national culture via the Internet, by initiating a series of projects for the sharing of cultural resources and establishing over 300,000 online databases nationwide so as to effectively satisfy the varied spiritual and cultural needs of the people.

The Internet serves to publicize government information. In the mid-1990s the Government Online Project was launched. By the end of 2009 China had established more than 45,000 government portals. Seventy-five central and state organs, 32 provincial governments and 333 prefectural governments and over 80% county-level governments had set up their websites, providing various online services to facilitate people's work and life. The building of e-government has substantially improved the work efficiency and transparency of government information. Article 15 of the Regulations of the People's Republic of China on the Disclosure of Government Information, which was promulgated and put into force in 2008, stipulates, "Government agencies should take the initiative to disclose government information and should be disclosed by means of government gazettes, government websites and press conferences, as well as through newspapers and magazines, radio, television and other methods that make it convenient for the public to be informed." The central government requires governments at all levels to establish corresponding mechanisms and give prompt explanations to issues of public concern. Governments at all levels are making every effort to improve the government spokesman system. By promptly releasing authoritative information through all kinds of media including the Internet, government spokesmen brief the public on the implementation of

related policies, and on responses to natural disasters, and public health and social emergencies. The role of the Internet in satisfying people's right to know has become increasingly prominent.

The Internet has become an indispensable tool in people's everyday life. According to a sample survey, in 2009 alone about 230 million people in China gathered information using search engines, 240 million communicated through real-time telecommunications devices, 46 million received education with the help of the Internet, 35 million conducted securities trading on the Internet, 15 million sought jobs through the Internet, and 14 million arranged trips via the Internet. In China more and more people are collecting information, enriching their knowledge, establishing businesses and realizing their aspirations, and communicating to know each other better through the Internet. Soon after earthquakes hit Wenchuan in Sichuan Province and Yushu in Qinghai Province, and a severe drought plagued southwest China, netizens used the Internet to spread disaster relief information, initiate rescue efforts and express sympathy and concern, fully demonstrating the irreplaceable role of the Internet. The Internet has revolutionized our way of work and lifestyle.

The Chinese government encourages the use of the Internet in ways which aim to promote economic and social progress, to improve public services and facilitate people's work and life, and steps up its efforts to build a well-structured and balanced use of the Internet, improves its advancement and application. The Chinese government will vigorously promote the development of websites featuring e-commerce and education, give impetus to the building of e-government, advocate the development of emerging media such as online radio and online television, and call for the provision of varied and rich Internet information services to satisfy the diversified, multi-leveled needs of information consumption.

III. Guaranteeing Citizens' Freedom of Speech on the Internet

The Internet is given full scope in the news communication field of China. The Chinese government encourages and supports the development of Internet news communication undertakings, provides the public with a full range of news, and at the same time guarantees the citizens' freedom of speech on the Internet as well as the public's right to know, to participate, to be heard and to oversee in accordance with the law.

The Internet has become an important channel for people to obtain news. Ever since its introduction to China, the Chinese people have been making full use of the Internet to disseminate news. The news agencies, newspaper offices, radio and television stations in China have used their resources and brand advantages to carry out Internet news communication so as to meet the people's needs for news, and a number of websites providing comprehensive news services, such as People's Daily Online, Xinhuanet, CCTV.com and CNR.cn, have been set up, which has not only extended the reach of authoritative news, but also explored new space for the traditional media's own development. A number of well-known commercial websites have also become major channels for people to obtain news. According to statistics, over 80% of China's netizens mainly rely on the Internet for news. The development of the Internet media has not only enhanced the time-effectiveness and validity of news communication, but also played a unique role in the reporting of important news events, fully satisfying people's need for information. It has become a common practice for the online media to make live broadcasts of the National Congresses of the CPC, NPC, Chinese People's Political Consultative Conference (CPPCC), etc.

Chinese citizens fully enjoy freedom of speech on the Internet. The Constitution of the People's Republic of China confers on Chinese citizens the right to free speech. With their right to freedom of speech on the Internet protected by the law, they can voice their opinions in various ways on the Internet. Vigorous online ideas exchange is a major characteristic of China's Internet development, and the huge quantity of BBS posts and blog articles is far beyond that of any other country. China's websites attach great importance to providing netizens with opinion expression services, with over 80% of them providing electronic bulletin service. In China, there are over a million BBSs and some 220 million bloggers. According to a sample survey, each day people post over three million messages via BBS, news commentary sites, blogs, etc., and over 66% of Chinese netizens frequently place postings to discuss various topics, and to fully express their opinions and represent their interests. The new applications and services on the Internet have provided a broader scope for people to express their opinions. The newly-emerging online services, including blog, microblog, video-sharing and social networking websites, are developing rapidly in China, and provide greater convenience for Chinese citizens to communicate online. Actively participating in online information communication and content creation, netizens have greatly enriched Internet information and content.

The Internet's role in supervision is given full play. The Chinese government has actively created conditions for the people to supervise the government, and attaches great importance to the Internet's role in supervision. Governments at all levels are required to investigate and resolve in a timely manner all problems reported to the government by the public via the Internet, and to inform the public of the results. On the great majority of government websites, relevant email addresses and telephone numbers are made public, so that the governments can be informed of problems in their work. Over the past few years a great number of the problems reported through the Internet have been resolved. In order to facilitate the public's reporting of corrupt and degenerate officials and suchlike, the central discipline inspection and supervision authorities, the Supreme People's Court, the Supreme People's Procuratorate and other relevant bodies have set up informant websites. The informant website of the CPC Central Commission for Discipline Inspection and the Ministry of Supervision, and the website of the National Bureau of Corruption Prevention are playing an important role in preventing and punishing corruption and degeneration among officials. According to a sample survey, over 60 percent of netizens have a positive opinion of the fact that the government gives wide scope to the Internet's role in supervision, and consider it a manifestation of China's socialist democracy and progress.

The authorities attach great importance to social conditions and public opinion as reflected on the Internet, which has become a bridge facilitating direct communication between the government and the public. The Internet has become a new channel for the Chinese government to get to know the people's situation and amass the public's wisdom, and consequently exercise governance for the people and improve its work. The opinions expressed by the public online are receiving unprecedented attention. The leaders of China frequently log onto the Internet to get to know the public's wishes, and sometimes have direct online communication with netizens to discuss state affairs and answer their questions. It has become a common practice for governments at all levels to consult the public via the Internet before formulating policies of particular importance. The public's opinions have been sought through the Internet during the annual sessions of the NPC and CPPCC. For each of the past three years, as many as several million items of advice and suggestions have been received through the Internet, providing valuable reference for the government to improve its work.

The Internet provides unprecedented convenience and a direct channel for the people to exercise their right to know, to participate, to be heard and to oversee, and is playing an increasingly important role in helping the government get to know the people's wishes, meet their needs and safeguard their interests. The Chinese government is determined to unswervingly safeguard the freedom of speech on the Internet enjoyed by Chinese citizens in accordance with the law.

IV. Basic Principles and Practices of Internet Administration

China adheres to scientific and effective Internet administration by law, strives to improve an Internet administration system combining laws and regulations, administrative supervision, self-regulation, technical protection, public supervision and social education. The basic goals of China's Internet administration are to promote general and hassle-free Internet accessibility, and sustainable and healthy development, guarantee citizens' freedom of speech online, regulate the order of Internet information transmission, promote the positive and effective application of the Internet, create a market environment for fair competition, guarantee the citizens' rights and interests vested in the Constitution and law, and guarantee safety for Internet information and state security.

China regulates the Internet by law. Since 1994 China has enacted a series of laws and regulations concerning Internet administration, including the Decision of the National People's Congress Standing Committee on Guarding Internet Security, Law of the People's Republic of China on Electronic Signatures, Regulations on Telecommunications of the People's Republic of China, Measures on the Administration of Internet Information Services, Regulations on the Protection of Computer Information System Security of the People's Republic of China, Regulations on the Protection of the Right to Online Dissemination of Information, Provisions on the Administration of Foreign-funded Telecommunications Enterprises, Measures on the Administration of Security Protection of the International Networking of Computer Information Networks, Provisions on the Administration of Internet News Information Services, and Provisions on the Administration of Electronic Bulletin Services via the Internet, among others. Relevant provisions of the Criminal Law of the People's Republic of China, General Principles of the Civil Law of the People's Republic of China, Copyright Law of the People's Republic of China, Law of the People's Republic of China on the Protection of Minors, Law of the People's Republic of China on Punishments in Public Order and Security Administration and other laws are applicable in the case of Internet administration.

China adheres to rational and scientific law-making, and reserves space for Internet development. Relevant laws and regulations pertaining to basic Internet resource management, information transmission regulation, information security guarantee and other key aspects define the responsibilities and obligations of basic telecommunication business operators, Internet access service providers, Internet information service providers, government administrative organs, Internet users and other related bodies. The citizens' freedom and privacy of correspondence is protected by law, which stipulates at the same time that while exercising such freedom and rights, citizens are not allowed to infringe upon state, social and collective interests or the legitimate freedom and rights of other citizens. No organization or individual may utilize telecommunication networks to engage in activities that jeopardize state security, the public interest or the legitimate rights and interests of other people.

The Chinese government plays the leading role in Internet administration. Relevant government bodies, according to their statutory duties, safeguard Chinese citizens' rights and interests, public interests and state security by law. The state telecommunications administration department is responsible for the administration of the Internet industry, including the administration of basic resources of the Internet such as domain names, IP addresses within China. Abiding by the Measures on the Administration of Internet Information Services, the state practices a licensing system for commercial Internet information services and a registration system for non-commercial Internet information services. According to the Measures, state press, publication, education, health and other administrative departments practice licensing systems for "Internet information services concerning press, publication, education, medical care, medicines and medical instruments." Public security organs and other state law-enforcement agencies bear the responsibility for Internet security supervision and administration, and investigate and punish all types of network crimes.

The state proactively promotes industry self-regulation and public supervision. The Internet Society of China (ISC) was founded in May 2001. It is a national organization of the Internet industry with a remit for serving the development of that industry, netizens and the decisions of the government. The ISC has issued a series of self-disciplinary regulations, including the Public Pledge of Self-regulation and Professional Ethics for the China Internet Industry, Provisions of Self-regulation on Not Spreading Pornographic and Other Harmful Information for Internet Websites, Public Pledge of Self-regulation on Anti-malicious Software, Public Pledge of Self-regulation on Blog Service, Public Pledge of Self-regulation on Anti-Internet Virus, Declaration of Self-regulation on Copyright Protection of China's Internet Industry, and other regulations, which greatly promote the healthy development of the Internet. The ISC makes unremitting efforts to counter spam, reducing the global spam percentage of Chinese e-mails from 23% in 2002 to 4.1% in 2009. In order to strengthen public supervision of Internet services, the state has established the China Internet Illegal Information Reporting Center (CIIRC), Network Crimes Reporting Website, 12321 Harmful and Spam Internet Information Reporting and Reception Center, 12390 Pornography Crackdown and Press and Publication Copyright Joint Reporting Center and other public reporting and reception organizations since 2004. The Society issued the Measures for Encouraging the Reporting of Pornographic and Vulgar Information on the Internet and Mobile Media in January 2010. The Chinese government will further support the work of Internet industry self-

disciplinary organizations, provide services to facilitate the organizations' roles and protect the public's legitimate rights to online reporting of illegal information and acts.

China advocates the rational use of technology to curb dissemination of illegal information online. Based on the characteristics of the Internet and considering the actual requirements of effective administering of the Internet, it advocates the exertion of technical means, in line with relevant laws and regulations and with reference to common international practices, to prevent and curb the harmful effects of illegal information on state security, public interests and minors. The Decision of the National People's Congress Standing Committee on Guarding Internet Security, Regulations on Telecommunications of the People's Republic of China, Measures on the Administration of Internet Information Services, Measures on the Administration of Security Protection of the International Networking of Computer Information Networks, and other laws and regulations clearly prohibit the spread of information that contains contents subverting state power, undermining national unity, infringing upon national honor and interests, inciting ethnic hatred and secession, advocating heresy, pornography, violence, terror and other information that infringes upon the legitimate rights and interests of others. According to these regulations, basic telecommunication business operators and Internet information service providers shall establish Internet security management systems and utilize technical measures to prevent the transmission of all types of illegal information.

The state advocates strengthening Internet legal and ethical education. The level of legal and ethical education of the whole society is closely connected with the construction of the Internet environment. It supports the work of Internet legal and ethical education, encourages the active participation by various media and social organizations, and proactively pushes forward the inclusion of Internet legal and ethical education in the curriculums of primary and middle schools. It attaches great importance to youth and women's organizations in their roles of elevating national network morals, and encourages relevant organizations to carry out activities for the public good to spread Internet knowledge and promote the correct use of the Internet.

The state guarantees online safety for minors. Minors have become China's biggest online group. By the end of 2009, a third of the country's 384 million Internet users were minors. The Internet is playing an increasingly important role in the development of minors. Meanwhile, online pornographic, illegal and harmful information is seriously damaging the physical and psychological health of young people, and this has become recognized as a prominent issue of public concern. The Chinese government attaches great importance to online safety for minors, and has always prioritized the protection of minors in the overall work of Internet information security programs. The Law of the People's Republic of China on the Protection of Minors stipulates that the state shall take measures to prevent minors from overindulging in the Internet; prohibit any organization or individual from producing, selling, renting or providing by other means electronic publications and Internet information containing pornography, violence, murder, terror, gambling or other contents harmful to minors. The state encourages research and development of Internet tools that are conducive to the online protection of minors, as well as Internet products and services suitable for minors. Families, schools and all other social units shall work together to protect minors online and create a healthy online environment for the development of minors. The Chinese government will actively push forward the "Mothers' Education Program" to help parents guide their children in using the Internet correctly.

The state proactively protects digital intellectual property. Since 2000 China has revised the Copyright Law of the People's Republic of China, promulgated the Measures for the Administrative Protection of Internet Copyright and offered relevant judicial interpretations for the trial of cases involving computer and network copyrights disputes, thus providing a legal basis for digital intellectual property protection. The state copyright administrative department is in charge of the investigation and punishment of Internet copyright infringement and pirating activities. To combat repeated copyright infringement, group infringement and large-scale pirating activities, relevant government organs have taken a series of administrative actions. China will continue to explore intellectual property protection work in the Internet environment, and strive to realize a balance between public interest protection and the promotion of innovation.

The state protects citizens' online privacy. The protection of online privacy is closely connected with the people's sense of security and confidence in the Internet. The Chinese government proactively promotes the improvement of relevant legislation and Internet corporate service regulations, in order to steadily enhance online privacy protection systems. The Decision of the National People's Congress Standing Committee on Guarding Internet Security stipulates that illegal interception, tampering with or deletion of others' e-mails or other data and infringement upon citizens' freedom and privacy of correspondence that constitutes a crime shall be investigated for criminal liability. According to the self-disciplinary public pledges of the Internet industry, Internet service providers are responsible for protecting users' privacy. The providers shall announce their relevant privacy protection commitment when providing services, provide reporting and reception channels for privacy infringement and take effective measures to protect users' privacy.

The Chinese government actively explores channels and methods of scientific and effective Internet administration by law, and has formed a preliminary Internet administration model that is suitable for China's conditions and consistent with international practices. Internet administration is a process of continuous practice, and the Chinese government is determined to further improve its Internet administration work.

V. Protecting Internet Security

Internet security is a prerequisite for the sound development and effective utilization of the Internet. Internet security problems are pressing nowadays, and this has become a problem of common concern in all countries. China also faces severe Internet security threats. Effectively protecting Internet security is an important part of China' s Internet administration, and an indispensable requirement for protecting state security and the public interest. The Chinese government believes that the Internet is an important infrastructure facility for the nation. Within Chinese territory the Internet is under the jurisdiction of Chinese sovereignty. The Internet sovereignty of China should be respected and protected. Citizens of the People's Republic of China and foreign citizens, legal persons and other organizations within Chinese territory have the right and freedom to use the Internet; at the same time, they must obey the laws and regulations of China and conscientiously protect Internet security.

Protecting Internet security in accordance with the law. In order to protect Internet security, related rules are included in laws and regulations, including the Criminal Law of the People's Republic of China, Decision of the National People's Congress Standing Committee on Guarding Internet Security, Law of the People's Republic of China on Punishments in Public Order and Security Administration, Regulations on Telecommunications of the People's Republic of China, Regulations on the Protection of Computer Information System Security of the People's Republic of China, Measures on the Administration of Internet Information Services and Measures on the Administration of Security Protection of the International Networking of Computer Information Networks, in order to promote the sound development of China's Internet, protect state security, social and public interests, and lawful rights and interests of individuals, legal persons and other organizations. Article 6 of the Regulations on Telecommunications of the People's Republic of China stipulates that "The security of telecommunications networks and information shall be protected by law. No organization or individual may utilize telecommunication networks to engage in activities that jeopardize state security, the public interest or the legitimate rights and interests of other people."

Secure information flow. The free and safe flow of Internet information is integrated as a whole. On the premise of protecting the safe flow of Internet information, the free flow of Internet information may be realized. The Chinese government attaches great importance to protecting the safe flow of Internet information, actively guides people to manage websites in accordance with the law and use the Internet in a wholesome and correct way. The Decision of the National People's Congress Standing Committee on Guarding Internet Security, Regulations on Telecommunications of the People's Republic of China and Measures on the Administration of Internet Information Services stipulate that no organization or individual may produce, duplicate, announce or disseminate information having the following contents: being against the cardinal principles set forth in the Constitution; endangering state security, divulging state secrets, subverting state power and jeopardizing national unification; damaging state honor and interests; instigating ethnic hatred or discrimination and jeopardizing ethnic unity; jeopardizing state religious policy, propagating heretical or superstitious ideas; spreading rumors, disrupting social order and stability; disseminating obscenity, pornography, gambling, violence, brutality and terror or abetting crime; humiliating or slandering others, trespassing on the lawful rights and interests of others; and other contents forbidden by laws and administrative regulations. These regulations are the legal basis for the protection of Internet information security within the territory of the People's Republic of China. All Chinese citizens, foreign citizens, legal persons and other organizations within the territory of China must obey these provisions.

Combating computer crime in accordance with the law. In recent years, computer crimes in China have been on the increase. The tendency of the combination of various traditional crimes and computer crimes has become gradually more obvious. Online fraud, online theft and other forms of crimes which encroach on the property of others are increasing rapidly. Crimes such as producing and spreading computer viruses, and computer and network hacking are increasing. Criminal activities such as disseminating obscenity, pornography and gambling are still pressing problems. Public security departments dealt with 142 computer crime cases in 1998, 29,000 in 2007, 35,000 in 2008 and 48,000 in 2009. In order to effectively combat computer crimes, the Chinese laws stipulate that criminal activities conducted by making use of the Internet or against the Internet shall be investigated and dealt with in accordance with the Criminal Law of the People's Republic of China; if such activities are not serious enough to constitute crimes, administrative punishment shall be meted out in accordance with the Law of the People's Republic of China on Punishments in Public Order and Security Administration and Measures on the Administration of Security Protection of the International Networking of Computer Information Networks.

Opposing all forms of computer hacking. Like other countries, China faces a severe challenge of online criminal activities such as computer hacking and viruses. China is one of the countries suffering most from hacking. According to incomplete statistics, more than one million IP addresses in China were controlled from overseas in 2009, 42,000 websites were distorted by hackers, 18 million Chinese computers are infected by the Conficker virus every month, about 30% of the computers infected globally. Chinese laws prohibit all forms of hacking. The Decision of the National People's Congress Standing Committee on Guarding Internet Security stipulates that acts deconstructing Internet security which constitute crimes, such as "intentionally

inventing and spreading destructive programs such as computer viruses to attack the computer system and the communications network, thus damaging the computer system and the communications network," shall be investigated for criminal liability in accordance with the relevant provisions in the Criminal Law. Articles 285 and 286 of the Criminal Law of the People's Republic of China contain concrete provisions on the criminal punishment of illegal activities such as illegally obtaining data stored in or handled or transmitted by the computer information system, or providing destructive programs or tools for invasion and illegal control of computer information systems.

National situations and cultural traditions differ among countries, and so concern about Internet security also differs. Concerns about Internet security of different countries should be fully respected. We should seek common ground and reserve differences, promote development through exchanges, and jointly protect international Internet security.

VI. Active International Exchanges and Cooperation

Though connected, the Internet of various countries belongs to different sovereignties, which makes it necessary to strengthen international exchanges and cooperation in this field. China maintains that all countries should, on the basis of equality and mutual benefit, actively conduct exchanges and cooperation in the Internet industry, jointly shoulder the responsibility of maintaining global Internet security, promote the healthy and orderly development of the industry, and share the opportunities and achievements brought about by this development.

The Chinese government has always supported and conducted international exchanges and cooperation in the field of the Internet. Representatives have been sent to all previous sessions of the World Summit on the Information Society (WSIS) and other important international and regional meetings related to the Internet. It attaches great importance to regional cooperation in maintaining Internet security. In 2009 China signed the ASEAN-China Coordination Framework for Network and Information Security Emergency Responses and the Agreement among the Governments of the SCO Member States on Cooperation in the Field of Ensuring International Information Security with the ASEAN and SCO member states, respectively. In combating network crimes the Chinese public security organ has participated in the Interpol Asia-South Pacific Working Party on IT Crime, China-US Joint Liaison Group and other forms of international cooperation, and has conducted bilateral and multilateral meetings successively with such countries or regions as the US, the UK, Germany, Italy and Hong Kong. Since 2006 the Chinese public security organs have handled more than 500 letters of assistance in case handling from more than 40 countries and regions concerning network crimes, which cover many types of cases, including hacker attacks, child pornography and network fraud. China actively promotes the establishment of bilateral dialogue and exchange mechanisms in the field of the Internet. Since 2007 it has held meetings of the US-China Internet Industry Forum and the Sino-British Internet Round Table with the US and the UK, respectively. In order to draw on the experience of other countries in developing and administering the Internet industry, the Chinese government has organized dozens of delegations since 2000 to pay visits to more than 40 countries in Asia, Europe, North America, South America and Africa, and has applied some of their successful experiences to its own Internet development and administration.

China holds that the role of the UN should be given full scope in international Internet administration. China supports the establishment of an authoritative and just international Internet administration organization under the UN system through democratic procedures on a worldwide scale. The fundamental resources of the Internet are vitally connected to the development and security of the Internet industry. China maintains that all countries have equal rights in participating in the administration of the fundamental international resources of the Internet, and a multilateral and transparent allocation system should be established on the basis of the current management mode, so as to allocate those resources in a rational way and to promote the balanced development of the global Internet industry.

All countries should conduct multi-form, multi-channel and multi-level exchanges and cooperation in this regard on the basis of equality and mutual benefit. Their governments can establish bilateral exchange mechanisms, exchange views, experiences and practices on matters such as the policies, legislation and security of the Internet industry, and settle differences through consultations on an equal footing. The governments of all countries should support the Internet industry in holding international exchange activities, encourage its efforts to expand consensus through exchanges, and resolve problems facing the Internet industry with joint efforts. The development of the Internet industry brings with it a series of new scientific and moral problems. Experts and scholars of various countries should be encouraged to conduct academic exchanges and share their research findings. In the face of the increasingly serious problem of transnational network crimes, the law-enforcement agencies of all countries should enhance their coordination in preventing and combating network crimes, and establish multilateral or bilateral cooperation mechanisms.

China would like to share with other countries the opportunities brought by the development of the Chinese Internet industry. It will unswervingly stick to its opening-up policy, open the Chinese Internet market in accordance with the law, welcome enterprises from other countries to enter the Chinese Internet market in accordance with the Provisions on the Administration of Foreign-funded Telecommunication Enterprises and share the opportunities brought by the development of the Internet in China. China abides by the general obligations and any specific commitment as a WTO member, protects the legitimate rights and interests of foreign enterprises in China, and provides proper services to those enterprises in their legal business operations concerning the Internet.

Concluding Remarks

The rapid development of China's Internet industry benefits from China's policy of reform and opening-up, from the sustainable development of the Chinese economy, and from advanced global technology and experience. The development of the Chinese Internet industry has greatly promoted the development of China's science and technology, economy, politics, society and culture, as well as the enhancement of the social civilization and the well-being of its people. The Chinese government will continue to promote Internet development, and encourage the use of new technology in providing new services and meeting the growing diversified needs of the people.

The Chinese Internet industry is still in a state of rapid expansion, with new situations and new problems emerging constantly. The Chinese government will stick to the basic principle of administering the Internet in accordance with the law, try to follow the nature and law of development of the Internet in the light of the national conditions, and promote the scientific development of the Internet with effective administration so as to contribute to the development of the Internet worldwide.