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CHINA INSIDER

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'SYSTEMIC MALPRACTICE'

LEAKED REPORT CASTS FURTHER
DOUBT ON CREDIBILITY OF CHINA'S
ORGAN TRANSPLANT SYSTEM

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ASEAN Secretary-General Lim Jock Hoi (first R) and foreign ministers shake hands on stage at a summit between China and ASEAN on the COVID-19 in Vientiane, Laos, on Feb. 20, 2020.

OPINION

Why the New Asia-Pacific Economic Pact Cannot Save the Chinese Economy

YANG WEI

The new Asia-Pacific economic pact cannot help China recover from its export market loss with the United States and growing international isolation. In Chinese leader Xi Jinping's own words, "The wind is strong, and the tides are high."

The Asia-Pacific Regional Comprehensive Economic Partnership (RCEP) pact, led by the 10 ASEAN countries, was signed in November. In addition to the 10 ASEAN countries, China, Japan, South Korea, Australia and New Zealand are also included in the pact, making it 15 countries in all. India dropped out of the negotiations in 2019 due to concern over China's long-term export dumping policy.

The signing of the RCEP agreement should be a breakthrough for ASEAN (Association of Southeast Asian Nations) countries. Chinese Premier Li Keqiang even praised the agreement, saying "the ASEAN countries played a leading role in the RCEP negotiations and made crucial contributions." For countries that are relatively weak, underdeveloped and rely on cheap labor, free trade agreements help to promote export. China's accession to the WTO (World Trade Organization) in 2001 opened the door to the U.S. and European markets. With this pact, ASEAN countries naturally hope to enter the markets of China, Japan, South Korea, Australia and New Zealand.

What RCEP Means for China

The RCEP negotiations began in 2012, and ASEAN countries have been pushing it hard. But top Chinese leaders were not really that keen on it. However, since the beginning of this year, the Chinese Communist Party (CCP) has suddenly found itself under international isolation. Party leader Xi Jinping finally acquiesced to signing the RCEP agreement and vigorously propagated it, mainly hoping to maintain a certain degree of relations with neighboring countries, even though the actual economic and trade effects may be very limited.

But RCEP cannot resolve the trade disputes between China and the other countries. The CCP is actively provoking a trade dispute with Australia, and under the free trade agreement, it may also initiate disputes with Japan and other countries.

The political situation in the South China Sea and East China Sea is tense. The signing of the RCEP may be a temporary respite for the CCP's senior leaders, but it cannot actually solve the regime's problems at home and abroad.

ASEAN, Australia, South Korea and China have individual free trade agreements. Despite the high amount of publicity put out by the regime's media and the high praises from Li Keqiang, the economic significance of this agreement is very limited for China. All 15 signatories, except Japan, have successively signed free trade agreements with China. If the RCEP pact helps to expand exports, Japan will be the only prospect for China.

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Individual Free Trade Agreements

In November 2002, the ACFTA Agreement (Agreement on Comprehensive Economic Cooperation) between ASEAN and China was signed. In the past 18 years, countries involved have been reducing mutual tariffs in stages. According to the CCP's official statement on Jan. 1, 2010, China's average tariff applicable to ASEAN dropped to 0.1 percent from 9.8 percent.

In 2019, China's trade volume with ASEAN had climbed by 14 percent to 4.43 trillion yuan, according to a Chinese media report. While the EU remained China's single largest trading partner with 4.86 trillion yuan in bilateral trade and an eight percent year-on-year growth rate, the United States was relegated to the third place on the list of China's top trading partners, with bilateral trade contracting more than 10 percent to around 3.73 trillion yuan, the report said.

Low tariffs between China and ASEAN have already been implemented, and the trade volume has been comparable to that of the European and American markets. Now that the RCEP is signed, it remains to be seen whether there is room for further growth in trade.

New Zealand and Australia

In November 2004, New Zealand and China launched free trade agreement negotiations. The negotiations to upgrade the trade agreement concluded in 2019.

Australia and China also signed a free trade agreement on Nov. 17, 2014. Both New Zealand and Australia hoped to export more agricultural products and basic raw materials to China. Despite the agreements, under the guise of non-tariff barriers, China has continuously banned the import of Australian agricultural products and timber in response to Australia's demands for a global investigation into the origin of the COVID-19 outbreak in China.

South Korea

South Korea has also been eager to enter the Chinese market, and on June 1, 2015, the two countries signed a free trade agreement. But in 2017, the CCP launched an anti-Korea campaign to keep mainland Chinese from traveling to South Korea, and South Korean companies were blocked in the Chinese market. Later, South Korea's Samsung mobile phones were blocked in the Chinese market. After its technology had basically been stolen, Samsung dejectedly withdrew from China.

Today, South Korea still has hopes of entering the Chinese market. But under the CCP's present economic policy of "internal circulation" to strengthen the domestic market, South Korea's hopes may be shattered.

Japan

With Japan joining the RCEP, however, it is like a double-edged sword against the CCP. Of the 15 countries that have signed RCEP, Japan is the only new member to join the pact. The CCP may have expected Japan to be a new growth point for China exports, but that's not the case.

Chinese products, such as low-value clothing and daily necessities, might get access to the Japanese market like it does to the U.S. and European markets. However, China's small- and medium-sized machinery and electronic products are of poor quality. They may make it into the U.S. and European markets, but it's difficult for them to enter the Japanese

market. Since Japan is already part of the WTO, Chinese products that can enter the Japanese market should have already done so. Therefore, further tariff reductions may have a limited effect on market expansion in Japan.

In turn, Japanese firms have long hoped to enter the Chinese market, and China's high tariffs have indeed been an obstacle. In the past few decades, when Chinese people went to Japan, they always brought back certain high-quality Japanese products at a much lower cost than what they sold for in mainland China. With reduced tariffs and high-quality Japanese products sold at lower prices, the Chinese consumers would welcome them. But is the CCP willing to accept that? Probably not.

The CCP may not implement tariff concessions under various excuses, nor set up layers of non-tariff barriers to prevent Japanese products from entering China. Trade disputes between China and Japan are foreseeable. Deteriorating Sino-Japanese relations will not only be difficult to ease but may even worsen.

Intellectual Property Theft

The CCP, of course, has its eyes on Japanese intellectual property in order to make up for the difficulties caused by the U.S. technology blockade. But Japan is also clearing out spies among Chinese students in Japan, and Japanese companies are leaving China on a large scale. So, the chance for the CCP to steal Japanese technology is also decreasing. But regardless, stealing and copying Japanese technology is surely on the CCP's agenda, and Sino-Japanese disputes over intellectual property can be anticipated.

RCEP is described as a "comprehensive partnership," but it doesn't actually entail strict intellectual property protection. According to the Electronic Frontier Foundation, it "contained quite simply the worst provisions on copyright that we had ever seen in a trade agreement."

South Korea should also be vigilant about safeguarding its intellectual property, especially in the high-end chip technology sector.

Foreign Exchange

Another point is that RCEP cannot bring the foreign exchange that China needs. As much as the CCP praised RCEP, the actual economic and trade benefit for China is small. The number of exports resulting from RCEP won't compensate for the sharp decline in the U.S.-China trade. The U.S. dollar that the CCP urgently needs is already stretched thin.

Following the moves by Germany and France, the Netherlands also just announced its policy in the Indo-Pacific region. Like the U.S.-China trade negotiations, the EU-China trade negotiations have difficulties making a breakthrough. In 2019, the EU's trade deficit with China had grown to \$220 billion. An EU-China trade dispute can be anticipated as a result of China's declining economy and the demands for an international investigation into the origin of the coronavirus outbreak.

At present, it has become a general trend for Western supply chains to leave China, and the 10 ASEAN countries are the beneficiaries of the migration. After these supply chains leave China, some basic raw materials and small parts may still be exported from China to ASEAN countries, but these cannot be exchanged for dollars or euros. The CCP

may be able to obtain more Japanese yen and Korean won through substantial export subsidies, but that's unlikely to compensate for the need of dollars.

The CCP may be able to expand the use of its yuan in ASEAN, but it's unable to obtain the much-needed U.S. dollar and euro foreign exchange, which is also one of the key reasons for China's forced internal circulation policy.

In order to earn a large amount of foreign exchange, the CCP has always pursued an unbalanced trade strategy: adopting import subsidy dumping, setting up tariffs and non-tariff barriers to prevent imports, and restricting foreign companies from operating independently to maximize a trade surplus and hold more foreign exchange. The CCP has never been willing to truly engage in free trade, nor will it abide by any free trade agreement.

Upon withdrawing from the RCEP negotiations, India clearly stated its concern about the CCP's dumping policy and its lack of trust in the CCP. The dispute between Australia and the CCP has begun, and RCEP is clearly powerless to do anything about it. In the future, the trade friction between Japan, South Korea, and China could also increase.

CCP Is Anxious

The approval and gradual implementation of RCEP in various countries will take another two years. Meanwhile, the CCP may hope to temporarily resolve the tension with ASEAN in the South China Sea. At the very least, they want to make sure that ASEAN countries don't get too close to the United States, and the CCP won't fall into complete isolation among neighboring countries.

On Nov. 17, Xi Jinping participated in a video conference with Russia, India, Brazil, and South Africa in the BRICS summit. In the address, Xi said, "All of us are indeed passengers in the same boat. ... The wind is strong, and the tides are high." It clearly indicates the communist regime's anxiety of facing international isolation and their urgency of arbitrarily drawing in and forming an alliance.

"Internal circulation," though not a way out of China's economic woes, may be the only path left.

On Nov. 16, Li Keqiang once again hosted a symposium for economists and entrepreneurs. The frequent economic symposiums suggest that the CCP is incapable of turning the economy around.

At the symposium, Li exposed the true picture: "The difficulties of this year's economic development are special. ... The current domestic and international situation is still complex and severe. We must not only strengthen our confidence, but also be fully prepared to deal with difficulties and challenges. ... [and] promote economic recovery to a reasonable range."

Li also urged "relevant departments to follow up on the implementation of the RCEP agreement." But if the CCP really implements zero tariffs in accordance with the RCEP, it will lose part of its fiscal revenue. The CCP will indeed need to "live on a tight budget."

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Views expressed in this article are the opinions of the author and do not necessarily reflect the views of The Epoch Times.

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An aerial view of the disputed islands known as Senkaku in Japan and Diaoyu in China in the East China Sea on Sept. 15, 2010.



Alibaba Group co-founder and former chairman Jack Ma attends the World Trade Organization Forum "Trade 2030" in Geneva on Oct. 2, 2018.

OPINION

Chinese Regime's Targeting of Jack Ma Underscores Its Mafia Capitalism

FAN YU

Entrepreneur Jack Ma's downfall has been stunning in speed and magnitude.

Since Beijing suspended Ant Group's highly anticipated IPO in November 2020, Chinese entrepreneur Jack Ma has been met with one obstacle after another. Ma, an apparent Chinese Communist Party (CCP) member, has also witnessed Chinese authorities launch an investigation into e-commerce giant Alibaba Group while being publicly rebuked in state media and at the same time, lose his status as China's richest person.

Ma—whose Chinese name is Ma Yun—has long rankled CCP authorities, enjoys a "larger than life" rock star status among Chinese youth, and oversees a technology empire that pushes the regulatory envelope. It's understandable that CCP regulators are irked.

But Beijing's sudden and draconian pushback against Ma underscores the problems within the country's economic system—a system that runs on mafia capitalism. The CCP's thin-skinned reaction to Ma proves that its political system continues to hold the country back.

Jack Ma isn't so different than Elon Musk or Jeff Bezos—iconic entrepreneurs who lead a country's innovation, assert dominance in a particular sector, and exert influence globally. Along the way, Musk and Bezos do push the regulatory envelope, impact established legacy industries, and sometimes exhibit monopolistic tendencies. Some would argue that is the necessary price to pay for true innovation.

Yet someone like Ma is invaluable for a country's image. He is the international face of China's tech industry. He regularly attends global conferences, where his freewheeling and informal persona has earned him a following. He is effectively an "unofficial ambassador" for China.

All of this isn't to exonerate Ma. He operates within a Communist country, with himself likely a

sanctioned product of the Party. But ultimately his outspokenness became his downfall.

At an international forum in Shanghai in November, Ma criticized China's regulatory regime, attacking state-owned banks as having a "pawnshop mentality" in demanding collateral from borrowers. This is in contrast to Ant Group, which apparently uses artificial intelligence and its own proprietary computer and data models to predict repayment probability, which could severely disrupt the banking and lending industry. Days later, new rules governing online lending industry were introduced and Ant's IPO was pulled.

In December, China's State Administration for Market Regulation launched an investigation into Alibaba—the e-commerce giant that Ma founded—for alleged "monopolistic" behavior. China introduced more stringent antitrust rules earlier in the year apparently targeting not just Alibaba but also other online retailers.

Then in late December, regulators met with Ant Group executives and demanded that the payments and lending company overhaul its business. The demands could completely alter Ant's business, bring parts of it under banking compliance regulations, and ultimately render it far less valuable than previously constructed.

"The best solution is to break up Ant into a finance unit for its online lending, brokerage, and insurance businesses that will be under full regulatory oversight, and a less regulated technology and data unit," one unnamed former regulator told the Financial Times.

And herein lies the problem with China's economic system.

Ant, as a private company owned by private shareholders, is not the government's property for it to devise a "solution." Ant's lending model, while novel, is unproven and may not even work at scale. But instead of letting capitalism determine winners and losers, the CCP apparently didn't like the potential outcome and decided to step in.

Ma is a businessman and he also has the right to push the regulatory envelope to the extent allowed under the law. And the government has a right to set the regulatory framework. But the CCP's sudden pushback ultimately proves Ma's point that the regulatory framework is a complicated mess—which set the stage for him to arbitrage cross-industry compliance in the first place.

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The CCP and Ma have reportedly been at odds for years on these matters. But the regime's inability to work with him and other entrepreneurs to set agenda and map out a pro-innovation regulatory structure is concerning. The CCP decided it had to move the goalposts while neutering China's only international success story.

This should be very concerning to any aspiring Chinese entrepreneur. Despite China's goals of becoming a global power, its ruling regime continues to exhibit the capriciousness and insecurity of a mafia organization.

As long as the CCP remains in power, China can never reach its full potential.

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CHINESE ESPIONAGE

China's Honey Traps Target US Politicians, Experts Say

'Americans should be on guard'

BOWEN XIAO

Popular outrage in response to the recent case of Christine Fang, a Chinese national who gradually gained political access and power through romantic or sexual relationships with at least two mayors, indicates that many Americans are unaware that this is a common tactic used by the Chinese Communist Party (CCP).

The term for this is "honeytrapping," which may sound like something from a Hollywood spy movie, but is a well-developed espionage strategy used widely by the CCP. Honey traps are a serious risk with regard to the loss of sensitive or classified information, and particularly its use for blackmail. American politicians in different positions of power, including those in the intelligence community and especially members of Congress, are all prime targets, experts say. The prevalence of such incidents is believed to be underreported due to their sensitive nature.

According to Axios, which broke the story on Fang, she was believed to have helped place "unwitting subagents" in local political and congressional offices, but it was unlikely that she herself received or passed on classified information. Nonetheless, she collected private information about U.S. officials. Fang also targeted Rep. Eric Swalwell (D-Calif.) and appeared to have become close with him before federal investigators alerted Swalwell to their concerns in a defensive briefing.

"The 'honeypot tactic' is the oldest trick in the book," Rep. Jim Banks (R-Ind.) told The Epoch Times.

"Swalwell's gullibility and recklessness should disqualify him not just from a seat on the House Intelligence Committee, but also from being a member of Congress as well," he said.

And it's not just happening in the United States. There are purported CCP honey traps in the United Kingdom as well.

Chen Yonglin, a former senior diplomat at the Chinese consulate in Sydney, Australia, who defected in 2005, claimed China was operating a network of "over 1,000 Chinese secret agents and informants in Australia."

I've heard American scholars and others who visited China have been approached by attractive young women and solicited.

Timothy Heath, senior international defense researcher, RAND Corp.

Sex and money are often used as bait, he says. The honey trap is a favorite tactic of Chinese intelligence to try to compromise an official. Chen says that while he was in office, one Australian official on a visit to China was detained by authorities after he was caught having sex with a minor girl. They released the man, keeping evidence of his affair, after he "offered to work for the regime, similar to an agent," Chen says.

'They Warned Me'

Honey trapping is just one tool in the broader arsenal used by the CCP to politically influence the United States and gain intelligence, according to Timothy Heath, senior international defense researcher at RAND Corp.

"We know it is a tactic that is used by Chinese intelligence agencies," Heath told The Epoch Times. "To obtain both intelligence and political influence and access to political intelligence. It could be used for a wide range of purposes."

Heath was previously a senior analyst at the China Strategic Focus Group at U.S. Pacific Command.

"I've heard American scholars and others who visited China have been approached by attractive young women and solicited," he continued. "In most cases I'm aware of, these Americans were briefed on intelligence warning them about this."

CCP agents, for example, might use a honey trap to seduce a U.S. intelligence official or some other official into providing sensitive information, Heath said. The CCP agents would then turn around and blackmail the victim to get more.

While it is nearly impossible to pinpoint the exact number of honey traps that could be occurring in the United States, an unnamed former defense and intelligence operative told Fox News it could be well into the hundreds, if not thousands.

Over a decade ago, Ian Clement, the former Deputy Mayor of London, warned the public about the tactic after he himself fell victim to it.

When Clement traveled to the Beijing Olympics in 2008 as London's deputy mayor he had been briefed by Britain's intelligence service. But he failed to take heed. "They told me about honey traps

and warned me that the Chinese secret service often use women to entice men to bed to get information. I didn't think for one minute that I would fall for it," Clement told the Mirror.

Clement said an attractive Chinese woman he met at a party likely spiked his drink. After he'd passed out, she went through his room, collecting information about London's operations and business dealings.

"While I was in Beijing I was making planning decisions from my BlackBerry. We're talking major, major decisions," he told the outlet. "They wanted to know which businesses I was courting."

And in one case in 2011, South Korean authorities revealed more than 10 South Korean diplomats working in China had sexual relations with a Chinese woman called Deng Xinmin, who was able to extract key intelligence information from them.

Chinese Hotel Rooms Monitored

Nicholas Eftimiades, a former senior U.S. intelligence official and author of the book "Chinese Intelligence Operations," told The Epoch Times Beijing is investing significantly in long-term espionage operations to infiltrate U.S. politics.

Eftimiades said the Christine Fang operation was "beautifully handled" in the way it combined both intelligence gathering and political influence. It's a strategy that "can really be devastating to another country."

Congress members, who are entitled to access classified information but are not required to have security clearances, have been particularly vulnerable to covert influence and spying efforts for decades, Eftimiades said.

A former Chinese official who later defected to Canada said the CCP uses a number of tactics to gather intelligence. Guangsheng Han, who spent 14 years as head of the Public Security Bureau and another five years with the Judicial Bureau in China, said that all over China "there are hotels designated for foreigners to stay."

"For these designated hotels, there are certain rooms that have monitoring capability," he told The Epoch Times. "So when guests who have certain identities check in,

they were put in these rooms."

Hunter Biden's Sensitive Material

Hunter Biden, the son of Democratic presidential nominee Joe Biden, said on Dec. 9 that he was being investigated by the U.S. Attorney's office in Delaware over his tax affairs. He did not elaborate on the nature of the investigation but it has been widely reported that some of his Chinese business dealings and other transactions were under scrutiny by the Justice Department. In October, lawyer Rudy Giuliani alleged there was "sensitive" material on a laptop of Hunter Biden's including pictures of minor girls. Giuliani told Newsmax he had turned over the laptop to the authorities.

Giuliani also said that the CCP had seen the Hunter Biden material, telling Steve Bannon's "War Room: Pandemic" podcast that everything Americans have seen, "China's been looking at for a long time."

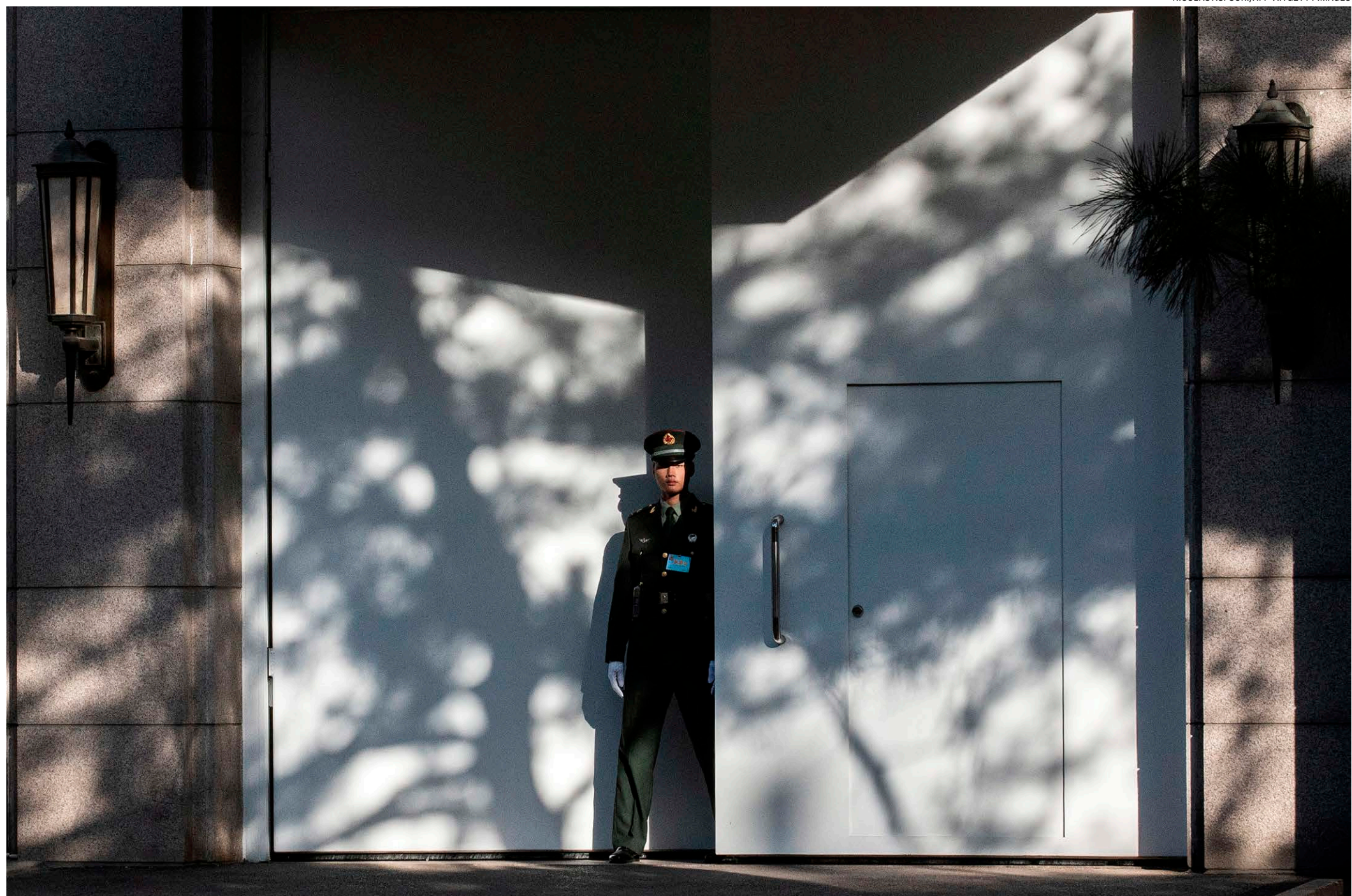
"If the Chinese government doesn't have these photographs, they're not really a rival," Giuliani said.

According to Seamus Bruner, a researcher who focuses on government integrity and who was provided access to emails between associates of the Bidens, Hunter Biden was viewed "as a pipeline to the administration" by the associates. The Bidens have denied any wrongdoing.

Director of National Intelligence (DNI) John Ratcliffe wrote in a Dec. 3 op-ed in the Wall Street Journal that this year "China engaged in a massive influence campaign that included targeting several dozen members of Congress and congressional aides."

"I briefed the House and Senate Intelligence committees that China is targeting members of Congress with six times the frequency of Russia and 12 times the frequency of Iran," he wrote, referring to influence operations in general.

"If I could communicate one thing to the American people from this unique vantage point, it is that the People's Republic of China poses the greatest threat to America today, and the greatest threat to democracy and freedom worldwide since World War II," Ratcliffe added.



A Chinese paramilitary soldier secures an entrance of Jingxi hotel where the CCP elites are holding its fourth plenary session in Beijing on Oct. 28, 2019.

ORGAN HARVESTING

Report Casts More Doubt on China's Official Organ Transplant System

NICOLE HAO & CATHY HE

Evidence of large-scale forced organ harvesting has cast a shadow on China's organ transplant system for more than a decade.

Now an internal document analyzing organ allocation and transplant data in a Chinese province has revealed systemic reporting anomalies by hospitals. The anomalies cast doubt on the credibility of China's official organ registration system, which may further point to state-sanctioned organ extraction from prisoners against their will, according to an expert's analysis of the report findings.

The report, obtained from a trusted source, had been compiled by the China Organ Transplant Response System (COTRS), a body set up by China's National Health Commission (NHC) in 2011 to register and allocate organs. Under this regime, organs registered in COTRS are matched and allocated to patients in need.

It revealed that from Jan. 1, 2015, to April 13, 2018, nationally, 3,130 organs had been registered in COTRS only after the transplant had taken place.

"This is really ridiculous," Dr. Torsten Trey, executive director of medical ethics advocacy group Doctors Against Forced Organ Harvesting, told The Epoch Times in an email. This large number of transplants being entered into COTRS only after the surgeries indicates "systematic malpractice," he said.

Since 2015, the Chinese regime has been claiming that organs for transplant come only from voluntary donors. In an ordinary organ allocation program, potential organ donors should be reported to the allocation system (in this case, COTRS), which then

matches the organs to suitable recipients. "But here, the organs [were] allocated without COTRS," Trey said.

"This could be a strong hint that organs are harvested on demand."

In 2019, an independent tribunal found, after a year-long investigation, that the Chinese regime has forcibly harvested the organs of prisoners of conscience for the transplant market "on a substantial scale," a practice that continues today.

The primary victims are detained Falun Gong practitioners, it found. Adherents of Falun Gong, a spiritual practice, have been persecuted by the Chinese Communist Party for more than two decades, with millions having been detained in prisons, labor camps, and other facilities, according to the Falun Dafa Information Center.

Trey said that because thousands of organs appear to have bypassed the allocation process, the entire system can't be trusted.

"If 3,000 organs are not entered, how can we guarantee that 30,000 organs are not entered?" he said. "Maybe they had 30,000 transplants and then decided to register 3,000 of them in COTRS."

"Once the process is breached, anything can happen."

Trey suggested that COTRS might just be an "empty shell" or a "sugar coating for Western doctors."

"Western doctors are being deceived that COTRS is similar to other organ allocation programs," he said.

Reporting Breaches

The COTRS report analyzed organ allocation and transplant data in the eastern Chinese province of Zhejiang from Jan. 1,

2015, to April 13, 2018. Alongside COTRS data, the report draws upon data from companion NHC databases, the China Liver Transplant Registry, and the Chinese Scientific Registry for Kidney Transplantation, as well as information from hospitals' organ procurement offices.

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Dr. Torsten Trey, executive director, Doctors Against Forced Organ Harvesting

The report said that, nationally, 2,036 organs were registered in COTRS without sources specified. Trey said that this again demonstrated sluggish reporting "not to the standard of Western allocation programs."

It also found that 104 organs were allocated to hospitals in Zhejiang but were ultimately not used for transplant. This figure represented 2.6 percent of the organs registered in COTRS in the province during the time period, according to data cited in the report.

That more than 100 organs—or even any organ—would be allocated to a hospital and not be used would be "100 percent impossible" in other regions with developed transplant systems such as the United States and Europe, Trey said.

In the case of an organ recipient passing away before the transplant surgery, then the hospital would need to inform COTRS to suspend the organ transfer or reallocate it, he said, noting that it was unlikely that more than 100 patients would die before their transplant.

"If those organs were not used, and not reallocated, that would suggest a sluggish organization or such an abundance of organs that really, nobody would care about them," Trey said.

In the report, COTRS also identified several issues in the system that indicated that hospitals in Zhejiang may have "falsified medical data, manipulated organs' distribution, and cheated [the COTRS system] to get donated organs."

It found more than 1,400 instances of a donor's or recipient's data being changed within one hour before transplant, or new recipients being added to the waiting list just before they received the transplant.

"This is awful," Trey said, adding that it demonstrates fraudulent practice by hospitals.

"If made public to the Western transplant community, it should cause outcry about bad practices."

The Epoch Times found that one of the hospitals identified in the report as an authorized hospital that performed transplant operations, Shulan Hospital, is not on the Chinese regime's official list of transplant hospitals.

"If this hospital is not officially a transplant hospital, what other hospital is performing transplants [without authorization]?" Trey said.

COTRS found that five hospitals that were not authorized to conduct organ transplants had performed 43 transplant

operations during the statistical period.

This isn't the first time China's official organ transplant data has raised alarm bells.

A 2019 study published in the scientific journal BMC Medical Ethics found that there was "highly compelling evidence" that the Chinese regime was systematically falsifying its organ donation data. It found that the official figures conformed almost precisely to a mathematical formula, a quadratic equation.

Rising Ambitions

Despite heightened scrutiny on China's organ transplant practices, Beijing is gearing up to expand the industry.

Even as the CCP virus ravaged China in 2020, China's organ transplant industry conducted business as usual, with no "obvious organ waiting time delays," according to a July investigation by the U.S. non-profit World Organization to Investigate the Persecution of Falun Gong. One nurse in the Guangxi region told the investigators that, despite fears of COVID-19 infection, they would "do the surgery whenever there is one," only that they "won't go crazy like during the pre-pandemic times."

Huang Jiefu, former Chinese vice health minister and head of the China National Organ Donation and Transplantation Committee, boasted at a conference in October 2020 that China had become the second-largest organ transplant country in the world.

"During this COVID-19 pandemic, organ donation and transplantation was developed in a very smooth and high efficient way in our country," Huang said.

He added that China could become the largest organ transplant country within three years if it could solve three "bottleneck problems," being "high cost, shortage of transplant capability, and lack of organs."

The NHC changed transplant rules in August last year to make it easier for doctors and hospitals to be authorized to perform organ transplants.

In December, U.S. lawmakers introduced bills that would sanction foreign officials involved in forced organ harvesting.

"There is growing evidence that the Chinese Communist Party has and continues to harvest organs from prisoners and members of Chinese religious groups," bill co-sponsor Sen. Tom Cotton (R-Ark.) said at the time.

"It's past time to hold Beijing accountable for these heinous acts."

Eva Fu contributed to this report.



Then-US Secretary of State John Kerry shakes hands with Chinese leader Xi Jinping at the Great Hall of the People in Beijing on June 7, 2016.

INDIA-CHINA RELATIONS

India Has Much at Stake in Biden's Tone on China: Expert

VENUS UPADHAYAYA

NEW DELHI—As the world transitions out of a pandemic year that also ended with presidential elections in the United States, it has questions about what Joe Biden is thinking about China.

China will not stop its expansionist activities even while the world waits to hear about what a Biden China policy would look like and should he become president, and this communication gap can be very critical for global affairs, said a New Delhi-based geo-strategic analyst.

Professor Harsh V. Pant, the head of the Strategic Studies Programme at Observer Research Foundation, a New Delhi-based think tank and a professor of international relations with the Department of Defense Studies and King's India Institute at the King's College London told The Epoch Times on the phone that Biden's silence on China has created a "critical situation" and it concerns countries like India that are facing a direct threat from the CCP.

"It seems that the appointments that he's making are not defined by a particular sense of direction, they are more defined by his domestic priorities," said Pant. "I think, therefore, the challenge for the rest of the world is that it is looking at America. They are not getting a sense of any direction from him or his transition team as to where he wants to go. And therefore, it becomes a very, very critical part."

Pant said the Trump administration's China policy was very "robust" and in November the State Department came up with a "China paper" that clearly outlined the challenges that the United States faces, but the current political uncertainty after the elections has created a gap.

"How do the rest of the world take it seriously at a time when there is a transition happening within America?" he said adding that Biden's silence on China would mean "being shaped by Chinese behavior."

"If they think they have the luxury of six months, seven months, eight months to define what they want to do with China, I'm afraid by the time they come to this question, the pieces on the board will already have been stacked against them."

The Epoch Times reached out to Biden's transition team but didn't get any comments responding to the concerns Pant raised.

Biden Needs to Articulate it

Pant said Biden should articulate his China Policy "as soon as possible" because if America is not "proactive" now, it would have to be "reactive" later. He said not clearly defining a policy is also a defined policy.

"Otherwise, they [American administration] will be reacting to what China has already done to the larger

reality, especially in the Indo Pacific," he said.

Pant who's also a non-resident fellow with the Wadhvani Chair in U.S.-India Policy Studies at the Center for Strategic and International Studies (CSIS), Washington, D.C., said if Biden doesn't articulate his China policy in time, it'll result in him accepting a lot of problems that the Chinese have created in the world.

"So I think the model which Mr. Trump very rightly put aside or very rightly discarded, that model might possibly come back in American foreign policy," said Pant.

He said this model that Trump discarded was actually a foreign policy failure because it led to a situation where China started to dictate the agenda.

"I think that's very true, perhaps it is true," said Pant when asked if the uncertainty in Biden's China policy is deliberate.

If they think they have the luxury of six months, seven months, eight months to define what they want to do with China, I'm afraid by the time they come to this question, the pieces on the board will already have been stacked against them.

Professor Harsh V. Pant, head of the Strategic Studies Programme, Observer Research Foundation

"And especially the kind of appointments that he has made, gives you a sense, perhaps of his priorities. We have had John Kerry, for example, who is reported to have said that the climate change is a much greater threat than China."

Biden has picked Kerry, who signed the Paris Climate Agreement on behalf of the U.S. administration in 2016, as the U.S. presidential envoy on climate change. As the U.S. Secretary of State in the Obama administration, Kerry met Chinese leader Xi Jinping in Beijing in 2014 to discuss cooperation between the two countries on climate change.

Li Shuo, senior climate and energy policy officer at Greenpeace China, talked about "creative diplomacy" between the United States and China at the China Dialogue event hosted in late November and reminded the gathering about the meeting between Kerry and Xi.

Pant said the Chinese have a window of opportunity with Biden. "They have seen that Mr. Trump was very, very strong and there was little possibility of negotiating with Trump under the given conditions. So they have an opportunity to have space, they have a window of an opportu-

nity with Mr. Biden."

He said the Chinese regime is "making all kinds of noises" and there's a possibility that climate change "would become the glue that might take them [Biden and team] to the Chinese and say let's get on and let's get a deal in place."

He said this will further allow the United States to let China set the agenda in the Indo-Pacific, which will be very critical since China is currently defining the architecture of the South-China sea.

"So that would be a travesty. But I think that's a real possibility because from Beijing's side they look at it as a window of opportunity and they will push their case and make sure that the Biden administration gets the message," said Pant.

India's Leadership in Indo-Pacific

Pant said that since Biden hasn't articulated his China policy, China may think that it can possibly manage Biden much more effectively than they could manage Trump.

"And that's certainly not good news for Indo-Pacific and certainly not a good news for American allies and partners in the region," said Pant adding that the kind of "mixed signals" that Biden is giving indicates that he's not confident of his own line.

He said if Biden doesn't articulate his China policy the challenges will become huge and almost be a "fait accompli" by the Chinese.

"Today, much like what happened when Mr. Obama did not challenge China in the South China Sea. Today China is basically giving a fait accompli. In the South China Sea, the architecture has changed, your [American] reputation has changed and nothing anyone can do to change that," said Pant.

He said India, one of the U.S. allies in the Indo-Pacific has been standing up to China despite its limitations and has been expanding its regional networks and partnerships with countries it considers important.

"The whole notion of Indo-Pacific, the way India has projected it and making it possible for countries like Germany, France, European Union to accept it today, is a larger indication that India's leadership is becoming more and more important and therefore for America which has to deal with rising China and the fact that it needs partnerships," said Pant.

India and China have faced a tense border standoff in the eastern Ladakh region since May this year and the diplomatic relations between the two nations reached their lowest after a bloody conflict in the Galwan river valley in Ladakh. Since then many rounds of negotiations between the two countries have not yielded any results while the military deployment continues during the intense winter.



Falun Gong practitioners demonstrate an illegal act of paying for human organs which happens in China, in Washington, D.C. on April 19, 2016.



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