

2015 Business China Excellence Award Recipient

Li Rongrong 李荣融

Age: 71

Vice Chairman, China Center for International Economic Exchanges (CCIEE)

Founding Chairman, China State-Owned Assets Supervision and Administration Commission of the State Council (SASAC) (2003 – 2010)

Contributions to Singapore-China Relations

- Mr Li was inspired by the corporate governance model in Singapore during his visit in 1999 with then Premier Zhu Rongji. Following his appointment as Chairman of SASAC, he chose Singapore as his first stop in 2004 to study the operations of Temasek Holdings and expressed that “the way Temasek manages its TPCs is a good reference for China and worthy of study”.
- Mr Li was a strong supporter of interaction and partnership between SASAC and Singapore companies. Mr Li and his team's frequent visits to Singapore deepened ties between China and Singapore, where the SASAC and various Chinese government agencies learnt from and interacted with Temasek Holdings.
- From 2005, SASAC and Temasek have jointly hosted the SASAC-Temasek Directors Forum twice per annum in Singapore. At each forum, the SASAC delegation, comprising SOE board members and executives will conduct discussions and site visits with Temasek and its portfolio companies. As of 2015, 22 forums had taken place.
- The exchange platform allows Singapore companies to better understand China and the Chinese SOEs, explore cooperation opportunities and proactively participate in China's opening up and reforms. The in-depth interaction between both parties enhanced mutual understanding and trust between Singapore and China, creating a positive environment for a sustainable long term partnership.
- In addition, with Mr Li's strong support, Temasek has partnered SASAC to share its corporate governance experiences with provincial SASAC and their SOEs across China, including Shanghai, Yinchuan, Shenzhen, Chengdu and Shenyang, allowing these regional SASAC and SOEs to have a better understanding of the modern corporate governance system.
- Up to 2015, Temasek Holdings has trained 940 Board Chairman, directors, CEOs and senior personnel from Chinese SOEs under SASAC.

- The closer ties forged between China and Singapore while SASAC was under the charge of Mr Li led to the launching of the Stewardship & Corporate Governance (SCG) Centre (now Stewardship Asia Centre, SAC) by Temasek Holdings.
- Li Rongrong spoke at the first Stewardship Asia Forum on 24 June 2015, held in Singapore, organised by SAC.
- The promotion of Temasek and other Singapore companies' corporate governance model in China, resulted in frequent exchange between top Singapore business leaders and their China counterparts, contributing to the strengthening of ties between both countries.
- Mr Li served on the Joint Steering Council of China-Singapore Suzhou Industrial Park (SIP) from 1998-1999, playing a key role in the development of the industrial park.

Background

- Born in 1944 in Jiangsu Province, Suzhou City; graduated from Tianjin University in 1968; joined the CPC in 1983.
- Worked his way up from a worker to Workshop Director, Deputy Factory Director and finally Factory Director from 1968 to 1986.
- After 1986, he was appointed Vice-Director of the Economic Commission, Director of the Light Industry Bureau, and Director of the Planning Commission, of Wuxi City, Jiangsu Province, and Deputy Director of the Jiangsu Provincial Planning and Economic Commission. From 1998-1999 he was Vice-Minister of the State Development Planning Commission. From 1999-2001, he was Vice-Minister of the State Economic and Trade Commission. From 2001-2003, he was Minister of the State Economic and Trade Commission.
- From 2003 to 2010, Mr Li was the Chairman of the State-owned Assets Supervision and Administration Commission (SASAC), having an ownership responsibility for over a hundred of China's largest state enterprises.
- Mr Li was previously the Vice Chairman of the 11th CPPCC Economic Committee and a member of the 16th and 17th CPC Central Committee.
- Mr. Li is a professor at Tianjin University, adjunct professor at School of Economics and Management of Tsinghua University and at Shanghai Jiaotong University, and a Distinguished Professor at China Business Executives Academy, Dalian., teaching the EMBA course to foster entrepreneurs.

- In May 2011, he served as the Non-Executive Director of Noble Group till February 2015.
- From 2009, Mr Li has been serving as Vice Chairman of China Center for International Economic Exchanges (CCIEE).

Achievements

- As the Chairman of the newly set up SASAC, Mr Li was the first chief of China's state-owned assets. During the founding years, he drove the important evolvement of China's economy in which the state-owned enterprises (SOEs) transformed from being heavy burdens into key pillars of China's economy.
- One of his responsibilities was to draft rules for SOEs and appoint their chief executives. Under his leadership, there were significant improvements in the management of Chinese SOEs.
- This is evident in the introduction of a new regulation, the Interim Regulations on Supervision and Management of State-owned Assets of Enterprises, which was announced after Mr Li assumed the position as the director of SASAC.
- In 2004, in an effort to change the system whereby an individual is assigned full responsibility of a company, Mr Li piloted the Board of Directors system.
- Over the 7 years of his tenure, SASAC reduced the number of SOEs from 196 in 2003 to 123 in 2010 in a bid to restructure and minimise non-performing SOEs through listings, divestments and mergers.
- The measures Mr Li introduced helped to raise the revenue of SOEs. It is not uncommon by 2010 for the annual increase of the profit of central SOEs to hit RMB 100 billion.
- The total value of SOEs also increased from RMB 7 trillion in 2002 to RMB 24 trillion in 2010, with profits increasing from RMB 241 billion to 1.14 trillion.
- The number of SOEs listed in the Fortune 500 companies also increased from 6 in 2003 to 30 in 2009.