REPORT ON THE WORK OF THE GOVERNMENT

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Fellow Deputies,

On behalf of the State Council, I will now report to you on the work of the government and ask for your deliberation and approval. I also ask members of the National Committee of the Chinese People’s Political Consultative Conference (CPPCC) for their comments.

I. A review of Our Work in 2020

Last year was an extraordinary year in the history of the People’s Republic of China. Facing the severe combined impact of a sudden coronavirus epidemic and a deep global economic recession, we the Chinese people of all ethnic groups, under the strong leadership of the Central Committee of the Communist Party of China with Comrade Xi Jinping at its core, responded with tremendous tenacity.

We achieved major strategic success in our response to Covid-19 and China was the world’s only major economy to achieve growth. We attained a complete victory in the fight against poverty, and we scored decisive achievements in securing a full victory in building a moderately prosperous society in all respects.

Indeed, our achievements, which have won the approval of our people and global recognition, will be remembered in history.

Our development goals and tasks for the year were accomplished, and major headway has been made in China’s reform, opening up, and socialist modernization drive.

Throughout this fierce battle against Covid-19, the CPC Central Committee put protecting the people and human life above everything else, with General Secretary Xi Jinping personally taking charge and making response decisions. Thanks to the tireless efforts of all of us, our gains in controlling Covid-19 were continuously consolidated.

In response to evolving epidemic dynamics, we made well-timed adjustments
to our response approaches. We improved routine control mechanisms and effectively suppressed several local outbreaks of the epidemic. With these actions, we protected the health and safety of the people to the greatest extent possible, and created the conditions for returning to normal life and work.

Last year, we carried out the following work in implementing the decisions and plans of the Party Central Committee, and to respond to Covid-19 and advance economic and social development:

1. **We formulated and implemented macro policies to meet the urgent needs of market entities and kept the fundamentals of the economy stable.**

   Facing shocks of a severity rarely seen before, based on what we had done to ensure stability on six key fronts, we carried out the task of maintaining security in six key areas—particularly job security, basic living needs, and the operations of market entities.* By maintaining security, we were able to deliver stability while also pursuing progress.

   Based on China’s realities, we refrained from adopting a deluge of strong stimulus policies but took swift, decisive and well-considered steps, thus maintaining a desired balance between various macro policies.

   Using approaches of reform and innovation, we eased the difficulties of our enterprises and energized them. And we helped micro, small, and medium enterprises (MSMEs) and self-employed individuals, which are large in number, extensive in scope and took the most direct hit from Covid-19, weather what was a very tough time.

   By making both time-limited large-scale tax and fee cuts and institutional arrangements, we reduced the burden on market entities by more than 2.6 trillion yuan for the year, including 1.7 trillion yuan in social insurance premium cuts and exemptions.

   We adopted new approaches in implementing macro policies. The central government established a mechanism to directly allocate two trillion yuan of new funding to prefecture- and county-level governments, while provincial-level governments also increased their funding allocations to governments at these levels. With these two steps, we provided prefecture- and county-level governments with additional and timely fiscal resources to assist local businesses and residents.

* The six fronts refer to employment, the financial sector, foreign trade, foreign investment, domestic investment, and expectations. The six areas refer to job security, basic living needs, operations of market entities, food and energy security, stable industrial and supply chains, and the normal functioning of primary-level governments.
Banks were given support to increase loans to businesses and lower interest rates in a targeted way. MSMEs were allowed to postpone principal and interest repayments on their loans, and inclusive finance lending by large commercial banks to micro and small businesses increased by more than 50 percent. The real economy thus received an infusion of 1.5 trillion yuan from financial institutions.

Point-to-point transportation services were provided to large enterprises to help them resume operations.

Thanks to all these arduous efforts, China was able to take the lead in reopening its economy. With gross domestic product (GDP) for the year growing by 2.3 percent, a better-than-expected recovery was achieved. We thus not only gained fresh experience in macro regulation, but also delivered the best possible outcome at an acceptable cost.

2. We gave top priority to stabilizing employment and ensuring living standards and effectively safeguarded people’s wellbeing.

Employment is pivotal to people’s wellbeing. Our efforts to keep market entities afloat are aimed at maintaining stable employment and meeting basic living needs. Local governments across the country provided more incentives to stabilize and expand employment, thus enabling businesses and their employees to work hand-in-hand to overcome their difficulties.

Multiple channels were tapped to ensure employment for key groups, and startups and innovation were encouraged as a way to create jobs. The number of new market entities began growing rapidly again, leading to the creation of a large number of new jobs. A total of 11.86 million urban jobs were added, and the year-end surveyed urban unemployment rate dropped to 5.2 percent.

It is truly remarkable that China, the largest developing country in the world, has kept overall employment stable in the face of such an enormous shock.

The supply and price stability of daily necessities was ensured; the consumer price index (CPI) posted a 2.5 percent growth. Practices like working from home, online shopping, and contactless delivery were widely adopted.

We expanded the coverage of unemployment insurance schemes, and extended timely assistance to those who were hit particularly hard by Covid-19. Close to six million additional people received subsistence allowances or extreme poverty aid, and more than eight million temporary assistance grants were disbursed.

We fought against severe floods, typhoons, and other natural disasters and
spared no effort to provide rescue and relief to disaster victims and make appropriate arrangements for them, thus protecting people’s lives and property and ensuring their basic living needs.

3. We made decisive progress in the three critical battles against poverty, pollution and potential risk, achieving major targets and tasks as planned.

We increased funding for poverty alleviation by a considerable sum. Counties and villages facing difficulty in poverty eradication were placed under special supervision to see they fully implemented all assistance and support policies. We assisted on a priority basis poor workers in securing jobs and poor rural migrant workers who had returned home in finding new jobs, thus keeping rural residents’ incomes from nonagricultural work stable. We worked harder to reduce poverty through the development of local industries and promote consumer spending on products from poor areas. We strengthened monitoring for groups who are liable to return to, or fall into, poverty, and provided them with assistance.

All remaining poor rural residents, totaling 5.51 million in early 2020, were lifted from poverty, as were all of China’s remaining 52 poor counties.

We continued working to keep our skies blue, our waters clear, and our lands pollution-free, and accomplished the objectives for pollution prevention and control for the current stage. We carried out major projects for protecting and restoring key ecosystems in the Yangtze River and Yellow River basins and along coastlines, and stepped up our ecological conservation endeavors.

We took prudent steps to defuse local government debt risks and acted swiftly to defuse a number of major financial risks and potential dangers.

4. We continued to advance reform and opening up and further boosted the vitality and momentum of development.

We improved the systems and mechanisms for the market allocation of production factors and strengthened the protection of property rights. We furthered reforms to streamline administration and delegate power, improve regulation, and upgrade services; and the Regulations on Improving the Business Environment were implemented. We adopted a three-year action plan for SOE reform and supported the development of private businesses. The underlying systems of the capital market were improved. We made solid strides in reforms related to agriculture, rural development, and social programs.

Steady progress was achieved in the joint pursuit of the Belt and Road Initiative (BRI). Major measures to develop the Hainan Free Trade Port and other
major initiatives were launched. The third China International Import Expo and the China International Fair for Trade in Services were hosted successfully. China played an important role in the signing of the Regional Comprehensive Economic Partnership Agreement, and it concluded negotiations on an investment agreement with the European Union.

China’s industrial chains and supply chains were kept stable. And its foreign trade and utilized foreign investment posted steady growth.

5. **We vigorously promoted innovation in science and technology and accelerated industrial transformation and upgrading.**

We developed China’s international centers for science and technology innovation and comprehensive national science centers, and set up the country’s first group of national laboratories. Last year saw a stream of scientific and technological breakthroughs, like the *Tianwen-I* Mars mission, the *Chang’e-5* lunar mission, and the *Fendouzhe* (Striver) deep-sea manned submersible.

We intensified efforts to make major breakthroughs in core technologies in key fields. Intellectual property protection was strengthened. We supported the application of scientific and technological advances, encouraged collaborative innovation among small, medium, and large enterprises, and promoted pilot reforms on all-around innovation. More was done to upgrade the industrial sector with digital and smart technologies; and strategic emerging industries maintained rapid development.

6. **We advanced new urbanization and rural revitalization and improved the layout of urban-rural development and development among regions.**

Efforts were intensified to rebuild old urban residential areas. By adopting city-specific policies, we promoted the stable and healthy development of the housing market.

Grain output continued to increase, and hog production rebounded at a faster rate. We took solid steps in advancing rural development, and markedly improved rural living environments.

We continued to build up the production, supply, storage, and marketing systems for coal, petroleum, natural gas, and electricity, and enhanced our capacity to ensure energy security. We improved mechanisms for promoting coordinated development between regions, and introduced a range of new measures to implement major strategies for regional development.

7. **We stepped up law-based administration, promoted social advancement, and safeguarded social harmony and stability.**

We submitted nine legislative proposals to the Standing Committee of the
National People’s Congress for deliberation, and formulated or revised 37 sets of administrative regulations. We worked with keen attention to handle the suggestions and proposals of NPC deputies and CPPCC National Committee members.

Online school teaching was introduced nationwide, and students returned to school for the autumn semester. Over 10 million high school graduates successfully completed the college entrance examination. We pushed ahead with the comprehensive reform of education, and we achieved the goal of increasing student enrollments in vocational colleges by one million.

Efforts were redoubled to strengthen the public health system. We scaled up the capacity for conducting large-scale nucleic acid testing, and all the medical bills for treating Covid-19 patients were covered by the government. Basic pension payments for retirees and minimum basic pension benefits for rural and urban non-working residents were both raised. Pension benefits were paid on time and in full, and provincial-level collection and payout of enterprise workers’ old-age insurance funds was realized.

Better public cultural services were provided. Primary-level governance in urban and rural areas was enhanced. Solid steps were taken to address public complaints. Audit-based oversight was vigorously conducted, and State Council accountability inspections were carried out.

We conducted the seventh population census and the poverty reduction survey. We intensified efforts to prevent and handle workplace accidents. Supervision of food, drugs, and vaccines was tightened up. We took a full range of measures to maintain law and order, and continued to combat organized crime and root out local criminal gangs, thus making further headway in pursuing the Peaceful China initiative.

We implemented the Party Central Committee’s strategic plan for exercising full and strict Party self-governance, and did more to improve Party conduct, build a clean government, and fight corruption. We consolidated the gains from the initiative to raise awareness of the need to stay true to the Party’s founding mission. We strictly complied with the central Party leadership’s eight-point decision on improving work conduct, and we made sustained efforts to ease the burdens of those working on the ground.

We were successful in pursuing China’s major country diplomacy. President Xi Jinping and other Party and state leaders hosted or attended, via video link, major diplomatic events, including the Extraordinary China-Africa Summit on Solidarity against Covid-19, high-level meetings commemorating the 75th anniversary of the
United Nations, the 73rd World Health Assembly, the G20 Leaders’ Summit in Riyadh, the APEC Economic Leaders’ Meeting, the 22nd China-EU Leaders’ Meeting, and the East Asia leaders’ meetings on cooperation.

We upheld multilateralism and endeavored to build a human community with a shared future. We supported global cooperation on combating Covid-19 and called for building a global health community. China thus made important contributions to advancing global peace and development.

Our work last year was truly challenging. Yet, local authorities and government departments across the country kept in mind the big picture and shouldered their responsibilities. Market entities, over one hundred million in number, responded to shocks with fortitude and resilience. Our people worked hard and fought adversity in close solidarity and with the unyielding spirit of the Chinese nation, thus proving themselves true heroes. This is the well of strength that enables us to rise to every challenge and overcome every difficulty.

Fellow Deputies,

We owe our achievements last year to the strong leadership of the Party Central Committee with Comrade Xi Jinping at its core, to the sound guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and to the concerted efforts of the Party, the armed forces, and the Chinese people of all ethnic groups. On behalf of the State Council, I wish to express sincere gratitude to all our people, and to all other political parties, people’s organizations, and public figures from all sectors of society. I express sincere appreciation to our fellow countrymen and women in the Hong Kong and Macao special administrative regions, in Taiwan, and overseas. I also wish to express heartfelt thanks to the governments of other countries, international organizations, and friends across the world who have shown understanding and support for us in China as we pursue modernization.

While recognizing our achievements, we are also keenly aware of the difficulties and challenges before us.

As the coronavirus continues to spread around the world, instability and uncertainty are mounting on the international landscape, and the global economy continues to face grave challenges. Domestically, there are still weak links in our work to control Covid-19. The foundation for achieving our country’s economic recovery needs to be further consolidated, impediments to consumer spending remain, and investment growth lacks sustainability. Our MSMEs and self-employed individuals are still finding the going tough, and the pressure in
maintaining stable employment is mounting. Our innovation capacity in key areas needs to be improved. Some local governments have serious budgetary deficits. In forestalling and defusing risks in the financial sector and other areas, we face formidable tasks. We still have a long way to go in protecting the environment. And many weaknesses in areas that are important to people’s basic needs wait to be addressed.

There is also room for improvement in the work of the government. Both pointless formalities and bureaucratism persist to varying degrees. A small number of officials fail to fulfill their responsibilities and are unwilling or unable to carry out their duties. Instances of corruption still occur in some sectors.

We will face these problems and challenges squarely, make every effort to make improvements, and do all we can to live up to our people’s expectations.

II. Achievements in the 13th Five-Year Plan Period and Major Targets and Tasks for the 14th Five-Year Plan Period

Over the past five years, China has scored historic new achievements in economic and social development.

The economy performed stably overall, and its structure was continuously improved. GDP increased from less than 70 trillion yuan to over 100 trillion yuan. Much was accomplished toward making China a country of innovators, with major advances in manned spaceflight, lunar exploration, deep-sea engineering, supercomputing, quantum information, and other areas.

China’s success in poverty alleviation has been recognized by the international community. Its entire rural poor population, 55.75 million in number, was lifted out of poverty, including more than 9.6 million registered poor people who were relocated from inhospitable areas; and regional poverty was successfully eradicated. The daunting task we set ourselves to eliminate absolute poverty has thus been successfully accomplished.

Agricultural modernization was steadily advanced, and good harvests were recorded for five years running. The goal of granting urban residency to 100 million people from rural areas and other permanent residents without local household registration was met. More than 21 million housing units in run-down urban areas were rebuilt.

Solid steps were taken to implement major regional development strategies. Pollution prevention and control efforts were intensified, resources and energy were used more efficiently, and there was a notable improvement in the
environment.

Important progress was made in addressing financial risks in this period. Major breakthroughs were achieved in deepening reform across the board. Supply-side structural reform was steadily advanced, as were reforms to streamline administration and delegate power, improve regulation, and upgrade services. Thanks to these efforts, the business environment kept improving.

China continued to open its door wider to the world; the joint pursuit of the Belt and Road Initiative yielded solid outcomes.

The living standards of our people rose significantly. Over 60 million urban jobs were added, and the world’s largest social security system was established. The system for granting living allowances to people with disabilities in financial difficulty and nursing care subsidies to people with serious disabilities was set up and implemented across the country.

New achievements were made in education, healthcare, culture and other sectors. Education became much more equitable, and its quality was markedly improved. The healthcare sector registered accelerated development. The cultural sector flourished. Notable advances were made in the development of national defense and the armed forces. China’s national security was enhanced on all fronts, and social harmony and stability were maintained across the country.

Thanks to our hard work in these five years, we accomplished the major goals and tasks of the 13th Five-Year Plan, and made a giant stride toward the rejuvenation of the Chinese nation.

The period covered by the 14th Five-Year Plan will be the first five years in which we embark on a new journey to build China into a modern socialist country in all respects. China remains in an important period of strategic opportunity for development. Yet, there are changes in both the opportunities and challenges we face. We should have an accurate understanding of this new stage of development, fully apply the new development philosophy, and accelerate our efforts to create a new development pattern to promote high-quality development. By doing so, we will set the stage for building a modern socialist country in all respects.

The State Council, acting in accordance with the Recommendations of the Central Committee of the Communist Party of China for Formulating the 14th Five-Year Plan for Economic and Social Development and Long-Range Objectives through the Year 2035, has drawn up the draft Outline for the 14th Five-Year Plan for Economic and Social Development and Long-Range Objectives through the Year 2035.

The draft Outline, which was formulated under the guidance of Xi Jinping
Thought on Socialism with Chinese Characteristics for a New Era, sets major quantified objectives and tasks for economic and social development during the 14th Five-Year Plan period. The full draft has been submitted to this session for your deliberation and approval.

The highlights of the draft Outline are as follows:

—**Improving the quality and effectiveness of development and maintaining sustained and healthy economic growth**

Development is the foundation, and it holds the key, for addressing all the issues our country faces. We must stay true to the new development philosophy, and ensure it is applied in full, in both letter and spirit, in every stage and aspect of development. We should encourage people working in all sectors to give high priority to improving the quality and effectiveness of development to fully tap China’s growth potential. We will keep major economic indicators within an appropriate range, set annual targets for economic growth in light of actual conditions, ensure that overall labor productivity grows faster than GDP, keep the surveyed urban unemployment rate within 5.5 percent, and keep prices generally stable. Doing so will enable us to achieve higher-quality development that is more efficient, equitable, sustainable, and secure.

—**Pursuing innovation-driven development and accelerating modernization of the industrial system**

Innovation remains at the heart of China’s modernization drive. We will strengthen our science and technology to provide strategic support for China’s development. To improve China’s innovation system, we will work faster to enhance our strategic scientific and technological capability underpinned by the development of national laboratories, strive to make major breakthroughs in core technologies in key fields, and formulate and implement a ten-year action plan for basic research. We will enhance the capacity of enterprises to make technological innovation, unlock the creativity of talent, and improve the systems and mechanisms for making scientific and technological innovation. China’s R&D spending will increase by more than seven percent per year, which is expected to account for a higher percentage of GDP than that during the 13th Five-Year Plan period. Extensive activities will be conducted to help people learn more about science.

In pursuing economic growth, we will continue to prioritize the development of the real economy, upgrade the industrial base, modernize industrial chains, and keep the share of manufacturing in the economy basically stable. We will transform and upgrade traditional industries, strengthen strategic emerging
industries, and promote the vigorous development of the service sector. Coordinated development of traditional and new forms of infrastructure will be promoted.

Digitalization will be sped up to create new strengths for the digital economy. We will both develop digital industry and transform traditional industries with digital technologies. We will work faster to develop a digital society, digital government, and healthy digital ecosystem as we pursue the Digital China initiative.

— *Creating a robust domestic market and fostering a new development pattern*

We will pursue the strategy of expanding domestic demand and intensify supply-side structural reform, and generate new demand with innovation-driven development and high-quality supply. We will remove impediments to the rational flow of production factors along all links of production, allocation, distribution, and consumption to facilitate favorable circulation in our economy.

We will give priority to domestic circulation, and work to build a strong domestic market and turn China into a trader of quality. We will leverage the flows of the domestic economy to make China a major magnet for global production factors and resources, thereby promoting positive interplay between domestic circulation and international circulation.

We will put in place frameworks to effectively expand domestic demand, boost consumer spending across the board, and unlock the potential for investment, thus accelerating the establishment of a complete system of domestic demand.

— *Advancing rural revitalization across the board and improving the new urbanization strategy*

The development of agriculture and rural areas remains at the top of our work agenda. The total area of China’s farmland must stay above the red line of 120 million hectares. We will carry out projects to develop high-quality farmland and conserve chernozem soils, and ensure the security of our germplasm resources. We will carry out rural development initiatives, and improve systems and mechanisms for promoting integrated urban-rural development. We will set up a robust long-term mechanism for consolidating and expanding the achievements of the battle against poverty, and raise the overall performance of development in areas that have cast off poverty.

The strategy of new, people-centered urbanization will continue to be pursued. We will move faster to grant permanent urban residency to people who move to cities from rural areas, and raise the percentage of permanent urban residents to 65 percent of the population. We will expand city clusters and metropolitan areas,
promote urbanization with a focus on county towns, implement an action plan for urban renewal, and improve the housing market and housing support system. These moves will enable us to achieve higher quality urbanization.

—Improving regional economic structures and promoting coordinated regional development

We will continue to implement the major regional development strategies as well as the strategies for coordinated regional development and functional zoning, so as to create regional economic structures and a territorial space system that will sustain high-quality development.

We will take solid steps to promote the coordinated development of the Beijing-Tianjin-Hebei region, the development of the Yangtze Economic Belt and the Guangdong-Hong Kong-Macao Greater Bay Area, integrated development in the Yangtze River Delta, and ecological protection and high-quality development in the Yellow River basin. We will build Xiongan New Area to a high standard.

We will usher in a new stage in large-scale development in the western region, promote breakthroughs in the revitalization of northeast China, accelerate the rise of the central region, and encourage the eastern region to accelerate modernization. We will promote the development of the Chengdu-Chongqing economic zone. We will support old revolutionary base areas and ethnic minority areas in speeding up development, and strengthen the development of border areas.

We will work to unlock the development potential of the maritime economy.

—Advancing reform and opening up across the board and bolstering the momentum and vitality of development

To develop a high-standard socialist market economy, we will energize all market entities, improve the layout and structure of the state-owned sector at a faster pace, and create a better development environment for private businesses. We will build a high-standard market system, effect an all-round improvement in the property rights system, carry out reforms to promote the market-based allocation of production factors, reinforce the foundational role of competition policies, and refine the competition policy framework.

We will modernize fiscal, taxation, and financial systems, and improve government capacity to conduct economic governance. We will deepen reforms to streamline administration and delegate powers, improve regulation, and upgrade services to foster a world-class business environment.

We will develop new systems for a higher-standard open economy, promote the high-quality development of the BRI, and build a globally oriented network of high-standard free trade zones.
— Promoting green development and ensuring harmony between humanity and nature

We will stay true to the principle that lucid waters and lush mountains are invaluable assets and strengthen the conservation of mountain, river, forest, farmland, lake, and grassland ecosystems. We will move faster to build major ecological shields, develop a national park-based nature reserve system, and expand forest coverage to 24.1 percent of China’s total land area.

We will continue to improve the quality of the environment, and generally eliminate heavy air pollution and black, malodorous water bodies in cities. We will ensure that China meets the targets for its intended nationally determined contributions in response to climate change by 2030. We will expedite the transition of China’s growth model to one of green development, and promote both high-quality economic growth and high-standard environmental protection. Energy consumption per unit of GDP and carbon dioxide emissions per unit of GDP will be reduced by 13.5 percent and 18 percent, respectively.

— Improving people’s wellbeing and striving for common prosperity

We will do everything within our capacity to improve the wellbeing of our people, and ensure that public services are inclusive, meet essential needs, and ensure basic living standards for people in difficulty. An action plan will be adopted to promote common prosperity to see that our people share more fully and fairly in the gains of development.

We will implement the employment-first strategy and increase employment opportunities. We will work to raise the income of the low-income group and expand the size of the middle-income group. Per capita disposable income will generally grow in step with GDP growth.

We will build a high-quality education system and foster a contingent of top-performing teachers with strong professional expertise by deepening educational reforms. We will carry out an initiative to raise the quality of education and expand its capacity. We expect that the average number of years of schooling among the working-age population will rise to 11.3.

We will make all-round efforts to build a Healthy China. We will develop a strong public health system, refine medical service networks in both urban and rural areas, carry out extensive public fitness activities, and raise the average life expectancy by one year. We will implement the national strategy for addressing population aging, and improve the population services system with a focus on elderly care and child care. We will refine the childbirth policy, work to achieve an appropriate birth rate, and develop the systems for public-interest child care and
basic elderly care services. The statutory retirement age will be raised in a phased manner. The multi-tiered social security system will be improved, with coverage of basic old-age insurance reaching 95 percent of the population. Social assistance and charity systems will also be improved.

We will develop advanced socialist culture, raise standards of public civility, promote integrity and trustworthiness throughout society, improve public cultural services, and improve modern systems for cultural industries.

—Ensuring both development and security and ushering in a new stage in building a Peaceful China

We will pursue a holistic approach to national security and strengthen our national security system and capacity. To ensure national economic security, we will carry out strategies for safeguarding food, energy and resource, and financial security. We will keep overall grain output above 650 million metric tons, and enhance our overall energy production capacity. We will increase our public security capacity across the board to maintain social stability and public safety.

Looking to the future, we have the confidence and the ability to overcome all difficulties and obstacles on our road ahead and fulfill the goals and tasks in the 14th Five-Year Plan for Economic and Social Development (2021-2025), thus opening a new page in the development of socialism with Chinese characteristics.

III. Major tasks for 2021

The year 2021 is of particular importance to China as it pursues the modernization drive. To accomplish the government’s work for the year, we must, under the strong leadership of the Party Central Committee with Comrade Xi Jinping at its core, do the following:

- follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era;
- implement the guiding principles of the Party’s 19th National Congress and the second through fifth plenary sessions of the 19th Party Central Committee in full;
- act on the general principle of pursuing progress while ensuring stability;
- ground our efforts in the new development stage, apply the new development philosophy, and create a new pattern of development;
- pursue high-quality development as the general aim, advance supply-side structural reform as the main task, and harness reform and innovation as the key source of momentum in our endeavor to meet the fundamental
goal of satisfying the people’s growing needs for a better life;

• apply systems thinking;
• consolidate and expand the achievements of the Covid-19 response and economic and social development;
• ensure better coordination in pursuing development and upholding security;
• ensure stability on six key fronts and maintain security in six key areas;
• implement macro policies in a systemic and targeted way;
• keep major economic indicators within an appropriate range;
• continue to expand domestic demand;
• strengthen science and technology to provide strategic support for development;
• pursue higher-standard opening up;
• maintain social harmony and stability.

These efforts will enable us to get off to a good start in the 14th Five-Year Plan period and commemorate the centenary of the CPC with outstanding achievements in development.

In 2021, China will continue to face many development risks and challenges, but the economic fundamentals that will sustain long-term growth remain unchanged. We should stay confident, meet challenges head-on, and consolidate the foundation for economic recovery to ensure sustained and healthy economic and social development.

The main projected targets for development this year are as follows:

• GDP growth of over 6 percent
• over 11 million new urban jobs
• a surveyed urban unemployment rate of around 5.5 percent
• CPI increase of around 3 percent
• steady increases in both the volume and quality of imports and exports
• a basic equilibrium in the balance of payments
• steady growth in personal income
• a further improvement in the environment
• a drop of around 3 percent in energy consumption per unit of GDP
• a continued reduction in the discharge of major pollutants
• grain output of over 650 million metric tons

As a general target, China’s growth rate has been set at over 6 percent for this year. In setting this target, we have taken into account the recovery of economic
activity. A target of over 6 percent will enable all of us to devote full energy to promoting reform, innovation, and high-quality development. The projected targets for growth, employment, and CPI should keep the economy performing within the appropriate range. These targets are also well-aligned with the annual goals of subsequent years in the 14th Five-Year Plan period, and they will help sustain healthy economic growth.

For the government to deliver this year, we need to carry out Covid-19 prevention and control and pursue economic and social development in a more coordinated way. We will maintain control measures on a continuing basis and be ready to address isolated emergencies. We will maintain constant vigilance in guarding against inbound cases and domestic resurgences, and ensure effective epidemic control in key areas and at key links.

We will effectively address all weaknesses in Covid-19 work, and take strict measures to prevent clusters of infection and transmission caused by isolated cases. The development of vaccines will be steadily advanced, free vaccine programs will be conducted at a faster pace, and efforts will be intensified to boost our capacity to control Covid-19 with targeted and science-based measures.

This year, we will carry out the following tasks:

1. **Ensuring the continuity, consistency, and sustainability of macro policies to keep major economic indicators within an appropriate range**

On the basis of range-based regulation, we will enhance targeted, well-timed, and precision regulation. We will continue to ensure macro policies alleviate the difficulties of market entities and maintain necessary policy support for achieving this goal. We will avoid sharp turns in policy; instead, we should make adjustments and improvements based on new developments to reinforce the fundamentals of the economy.

*We will enhance the quality, efficiency, and sustainability of our proactive fiscal policy.*

In view of the effective containment of Covid-19 and gradual economic recovery, we have set the deficit-to-GDP ratio for the year at around 3.2 percent, slightly lower than that of last year. No Covid-19 bonds will be issued. As government revenue rebounds, total government expenditures will be higher this year than last. We will continue to give priority to increasing support for efforts to ensure employment, living standards, and the operations of market entities.

Continued cuts will be made in central government expenditures, including considerable reductions to outlays on non-essential and non-obligatory items. General transfer payments to local governments will be increased by 7.8 percent, which is significantly higher than last year. This will include growth of more than
10 percent in both transfer payments for equalizing access to basic public services and rewards and subsidies to ensure basic funding for county-level governments.

We will make it a normal practice to directly allocate budgetary funds to prefecture- and county-level governments and place more funds under this mechanism. This year, 2.8 trillion yuan of central government funding, a figure much larger than last year, will be allocated in this way to provide timely and strong fiscal support to these local governments to benefit businesses and people. We at every level of government should practice fiscal frugality in the interests of the people. We should continue to tighten our belts, ensure continued increases in spending to meet basic living needs, and help sustain and energize market entities.

We will continue to implement and improve tax reduction policies.

We need to do more to help market entities stand firmly on their feet and thrive.

We will continue to implement systematic tax cut policies, extend the duration of several temporary policies such as VAT relief for small-scale taxpayers, and adopt new policies on structural tax reductions to offset the impact of some policy adjustments.

The VAT threshold for small-scale taxpayers will be raised from 100,000 yuan to 150,000 yuan in monthly sales. On the basis of preferential policies already in force, we will halve the income tax of micro and small enterprises and self-employed individuals on annual taxable income below one million yuan. All local governments should implement tax reduction policies fully and on a timely basis and see that market entities all enjoy these tax reduction benefits.

We will keep our prudent monetary policy flexible and targeted and at a reasonable and appropriate level.

We will give even greater priority to serving the real economy, and balance the needs of promoting economic recovery and preventing risks. We will see that increases in money supply and aggregate financing are generally in step with economic growth in nominal terms, maintain a proper and adequate level of liquidity supply, and keep the macro leverage ratio generally stable. We will also keep the RMB exchange rate generally stable at an adaptive, balanced level.

Further steps will be taken to address the financing difficulties of MSMEs. We will continue the policy of allowing micro and small enterprises to defer principal and interest repayments on inclusive-finance loans, and increase support for inclusive finance via re-lending and rediscounting.

We will continue the policy of providing rewards and subsidies to reduce financing guaranty fees for micro and small businesses, and improve mechanisms
for risk sharing and compensation for loan defaults. We will move faster to promote the sharing of credit information.

The assessment and evaluation of the performance of financial institutions will be improved, and we will ensure that those who have fulfilled their duties are not held accountable.

Banks will be encouraged to increase credit loans and first-time loans. We will extend the pay-as-you-go lending model, channel more funds into scientific and technological innovation, green development initiatives, micro and small enterprises, self-employed individuals, and new types of agribusiness, and provide targeted support for enterprises and industries enduring a sustained hit from Covid-19. Inclusive loans to micro and small businesses by large commercial banks will increase by over 30 percent this year.

New models for providing supply chain financial services will be developed. Appropriate reductions will be made to transaction fees levied on micro and small businesses. We will improve regulation over deposit rates, further lower loan interest rates in real terms, and continue to guide the financial sector in giving more to the real economy. This year, we must see that micro and small businesses have easier access to financing, and that their overall financing costs steadily drop.

*We will continue to improve the employment-first policy to enhance its performance.*

We will work to keep the employment situation stable. We will continue to provide adequate fiscal, tax, and financial policy support to businesses that do not cut jobs or only cut a small number of them. We will continue to reduce premiums for unemployment insurance and workers’ compensation, and expand the scope of time-limited policies aimed at helping businesses maintain payrolls, such as the refunding of unemployment insurance premiums. The duration of policies on work-based training organized by companies will be extended.

We will broaden channels for creating market-based employment, and leverage the role of business startups in boosting employment. The thresholds for obtaining employment will be lowered, and we will improve the national catalog of professional qualifications on a continuing basis, and relax or lift the years-of-experience requirements for taking qualification examinations for some license based professions.

We will support the development of new forms of employment and keep such employment well-regulated, and we will move faster to advance trials of occupational injury insurance. We will continue to subsidize contributions to social insurance made by workers in flexible employment, and allow people to access social security in the locality where they work even if they do not hold local
We will work to ensure employment for key groups such as college graduates, ex-service members, and rural migrant workers, improve policies on employment support for people facing difficulties like those with disabilities and members of zero-employment families, and help unemployed people find work.

We will expand the scope of use for vocational skills training funds, launch large-scale, multi-level vocational skills training programs, and complete the goals of the three-year initiative on providing vocational skills training and expanding enrollment in vocational colleges. A number of bases for training highly-skilled personnel will be opened. The public employment services system will be improved. An initiative will be carried out to boost the quality of employment services.

We will use employment subsidies and other funds to support the development of labor, talent, and casual labor markets, so as to widen the avenues of employment and enable people who are willing and able to work to find more equitable job opportunities.

2. Advancing reforms in key areas and further energizing market entities

While implementing policies to ease enterprises’ difficulties, we will also intensify reforms to foster more dynamic and innovative market entities.

We will further transform the functions of government.

We will fully leverage the decisive role of the market in allocating resources and give better play to the role of government, to ensure better alignment between an efficient market and a well-functioning government. We will continue to expand market access, pilot a comprehensive reform on the market-based allocation of production factors, and ensure equal protection for the property rights of various market entities in accordance with the law.

We will deepen reforms to streamline administration and delegate power, improve regulation, and upgrade services and, move faster to create a market-oriented, law-based, and internationalized business environment. We will practice list-based management for all items requiring administrative approval. We will advance the reform for separating operating permits from business licenses, and devote major efforts to reducing the procedures, documents, time, and expenses required for government review of applications by enterprises.

The mechanism for market entities to exit the market will be refined, and the system for deregistering MSMEs with simplified procedures will be implemented. We will reform the system of market access for industrial products, and advance reform of the entire management process, from production access to marketing, for
several industries such as the automobile, electronic, and electric appliances industries.

Effective regulation is necessary for our efforts to streamline administration and delegate power. We will see that all regulatory responsibilities of government are fulfilled. We will strengthen ongoing and ex post oversight of items for which approval has been cancelled or delegated to lower-level authorities. We will refine regulatory policies covering different levels and categories, and improve the system of comprehensive inter-agency regulation. We will also advance the Internet plus regulation model to enhance our capacity for conducting regulation. We will impose stiffer penalties on acts of bad faith, and carry out regulation in an impartial way to ensure that well-performing businesses succeed in market competition and those which are poorly run are eliminated.

We will work to build a digital government. We will set up a sound coordination mechanism for sharing government data, expand the application, and promote mutual nationwide recognition, of electronic licenses and certificates, and ensure more government services are accessible online and on cellphone applications with the need for only one application process. This year, high-demand government services should generally be provided on an inter-provincial basis.

*We will work to reduce enterprises’ production and operating costs through reform.*

We will advance the reform of basic sectors like energy, transportation and telecommunications to provide more efficient services and reduce charges. All manufacturing enterprises will be allowed to engage in market-based electricity transactions. Further steps will be taken to cut unjustified surcharges on electricity use; electricity rates for general industrial and commercial businesses will be further reduced.

Average rates for broadband and dedicated internet access services for small and medium enterprises will be lowered by another 10 percent. We will introduce differentiated pricing for expressway tolls nationwide and take firm measures to rectify irregular height and width limits and checkpoints that affect freight traffic. The port development fee will be abolished. Airlines’ contributions to the civil aviation development fund will be cut by 20 percent.

Governments in localities that were hit hard by Covid-19 will be encouraged to lower or waive rentals on state-owned property for micro and small businesses in the service sector and for self-employed individuals.

Various intermediary agencies will be urged to make public their terms of service, procedures, timeframes, and charges.
Unjustified growth in non-tax government revenue will be strictly checked, tough steps will be taken to end arbitrary charges, fines, and quotas, and no action that seeks to make gains at the expense of our people and businesses will be tolerated.

All these efforts will lighten the burden on market entities and enable them to focus on doing business free from undue concern.

*We will promote the common development of enterprises under diverse forms of ownership.*

We will continue to practice and improve the basic socialist economic system. We will work unswervingly to both consolidate and develop the public sector and encourage, support, and guide the development of the non-public sector. All market entities, regardless of their type, are participants in China’s modernization endeavors, and each and every one of them must be treated as equals.

We will continue to implement the three-year action plan for SOE reform, and work to strengthen, expand, and increase the returns on state capital and enhance the strength, quality, and size of SOEs. We will also push ahead with mixed-ownership reform in SOEs.

We will build a cordial and clean relationship between government and business, remove barriers to the development of private businesses, improve the long-term mechanism for preventing and resolving late payments to small and medium businesses, and promote an entrepreneurial spirit.

The state supports platform enterprises in pursuing innovative development and enhancing international competitiveness; it will ensure that their business operations are well-regulated in accordance with the law and take steps to refine digital rules. We will step up efforts against business monopolies and guard against unregulated expansion of capital, and ensure fair market competition.

*We will deepen reforms of the fiscal, taxation, and financial systems.*

We will strengthen budget constraints and performance management, and promote greater budget transparency. Procedures for accessing preferential tax and fee policies will be streamlined. The reform plan for defining the respective fiscal powers and expenditure responsibilities of central and local governments will be implemented. The local tax systems will be improved.

We will continue to replenish capital and strengthen corporate governance of small and medium banks through multiple channels, deepen the reform of rural credit cooperatives, advance the reform on policy banks by carrying out category-based management for specific accounts, and strengthen the role of insurance in protecting against risks and providing services.
We will steadily advance the reform to establish a registration-based IPO system, improve delisting as a normal practice, and step up development of the bond market, so as to better exert the role of multi-level capital markets and open up more financing channels for market entities.

We will strengthen regulation over financial holding companies and financial technology to ensure that financial innovations are made under prudent regulation. We will improve the mechanism for managing financial risks, see responsibilities are fulfilled by all the stakeholders, and ensure that no systemic risks arise. Financial institutions must serve the real economy as they should do.

3. **Promoting high-quality development of the real economy through innovation and fostering new growth drivers**

   We will see that scientific and technological innovations are fully applied in the real economy, and we will better leverage the role of innovation in driving development.

   **We will raise our capacity for pursuing scientific and technological innovation.**

   We will improve our strategic scientific and technological strength. The building of national laboratories will continue, and the layout of science and technology programs and innovation centers will be improved. We will ensure the success of projects launched to achieve breakthroughs in core technologies in key fields, further plan and implement the Sci-Tech Innovation 2030 Agenda, reform the way that major science and technology programs are implemented, and extend mechanisms, such as the open competition mechanism to select the best candidates to undertake key research projects, to more areas.

   We support localities with requisite conditions to develop international and regional centers for science and technology innovation, and better leverage the guiding role of institutions such as national innovation demonstration zones. We encourage advances in science and technology that promote people’s wellbeing, such as breakthroughs in the prevention and control of diseases. We also encourage opening up and international cooperation in the science and technology sector, and we are firmly committed to protecting intellectual property. We will heighten awareness of research integrity, promote the spirit of science, and create a favorable ecosystem for innovation.

   Basic research is the wellspring of scientific and technological innovation. So we will ensure the stable functioning of funding mechanisms for basic research and boost spending in this area by a considerable sum. Central government expenditures on basic research will increase by 10.6 percent. Research institutes will have more say about how funds should be used, and the mechanisms for
project applications, assessments, fund management, and personnel evaluations and incentives will be refined. We will work hard to help researchers get rid of undue burdens and enable them to fully devote their time and energy to making scientific explorations and major breakthroughs in key technologies, just as a blacksmith in the past would spend years forging the perfect sword.

*We will leverage market forces to encourage enterprises to engage in innovation.*

We will boost the principal role of enterprises in innovation, and encourage leading enterprises to establish innovation consortia. We will expand the channels that bring together enterprises, universities, research institutes and end-users, and refine the equity-based incentive mechanisms for scientific and technological advances.

We will improve the regulatory system and development policies for venture capital, and further promote business startups and innovation initiatives. We will continue to implement the policy of granting an extra tax deduction of 75 percent on enterprises’ R&D costs, and we will raise this to 100 percent for manufacturing enterprises. By employing such mechanisms for preferential tax treatment, we can encourage enterprises to increase R&D spending and pursue innovation-driven development.

*We will ensure the stable operation of industrial and supply chains and improve them.*

We will continue working on the five priority tasks of cutting overcapacity, reducing excess housing inventory, deleveraging, lowering costs, and strengthening areas of weakness. We will refund all due VAT credits to advanced manufacturing enterprises on a monthly basis, raise the proportion of loans to the manufacturing sector, and increase investment in the equipment upgrades and technology transformations of manufacturing enterprises.

We will see that industrial and supply chains are more self-supporting and that their risks are better controlled. We will implement projects for upgrading foundational industrial infrastructure and give full play to large enterprises’ capacity to provide leadership and support, and to the collaborative and supporting role of MSMEs.

We will further develop the industrial internet, promote the integration of industrial and innovation chains, and build additional platforms for generic technology R&D to enhance the capacity of MSMEs for making innovations and engaging in specialized production.

The development of the 5G networks and 1000M fiber optic networks will be stepped up and their application will be extended to more settings. Cybersecurity, data security, and personal information protection will be strengthened. The layout
of emerging industries will be planned in a well-coordinated way. China’s National Quality Infrastructure will be strengthened, intensified efforts will be made to enhance quality, and the system of standards will be improved to ensure standards are aligned throughout the industrial chain. We will champion the pursuit of fine workmanship to boost the quality of Chinese manufacturing.

4. **Expanding domestic demand as a strategic move and fully tapping the potential of the domestic market**

With a focus on improving the people’s wellbeing, we will expand demand, and promote better alignment between consumption and investment, so as to attain a more desirable and dynamic equilibrium between supply and demand.

*We will stabilize and expand consumption.*

Personal incomes will be increased through multiple channels. Networks for the flow of goods and services in urban and rural areas will be improved, and rural e-commerce and express delivery services will be expanded to spur greater consumption at the county and township levels. We will encourage steady increases in spending on home appliances, automobiles, and other big-ticket items, and abolish excessive restrictions on sales of second-hand vehicles. More car parks and electric vehicle battery charging and swapping facilities will be built, and the system for recycling power batteries will be developed at a faster pace.

Consumption of services such as healthcare, culture, tourism, and sports will be promoted. Enterprises are encouraged to develop new products and services, and better market access will be provided for new products. We will ensure that products sold domestically are produced on the same production lines, meet the same standards, and are of the same quality as exported products.

We will ensure that convenience stores, shops, and other neighborhood services are well-run. We will use the Internet Plus model to promote integrated development of online and offline businesses in more fields and create new forms and models of business, thus providing more convenient and satisfying services for consumers. We will also encourage platform companies to reduce their service fees as appropriate.

By taking these steps, we will steadily improve people’s consumption capacity and the environment for consumption and ensure that our people have the ability and willingness to spend, thus improving their lives and driving economic development.

*We will expand effective investment.*

This year, 3.65 trillion yuan of local government special-purpose bonds will be issued and the way funds from bond issues are used will be improved. The scope
of use for such bonds will be expanded as appropriate, with priority given to funding for key projects already under construction.

The central government will earmark a total of 610 billion yuan for investment in its budget. We will continue to support the construction of major projects that facilitate coordinated development among regions, and launch new infrastructure and new urbanization initiatives as well as major projects. We will also launch a number of major transportation, energy, and water conservancy projects, develop information networks and other new types of infrastructure, and work to modernize the logistics system.

Government investment will be weighted toward projects which will help significantly improve the people’s wellbeing. Rebuilding and renovation of 53,000 old urban residential communities will begin, and the public service standards of county towns will be raised.

Investment approval procedures will be streamlined, and the business-invested project commitment system will be put into practice. Reform of the system for construction project approval will be furthered. We will improve our policies for encouraging the participation of nongovernmental capital, and do more to remove barriers impeding private investment, so that such investment can enter, develop, and yield good returns in more fields.

5. Implementing the rural revitalization strategy across the board and promoting steady development of agriculture and growth in rural incomes

We will continue to promote the development of areas that have been lifted out of poverty, bolster agricultural production, and improve working and living conditions in rural areas.

We will align efforts to consolidate and expand the achievements in poverty alleviation with efforts to promote rural revitalization.

For counties lifted out of poverty, a five-year transition period will apply from the date poverty in their locality was eradicated, during which major assistance policies will remain unchanged for them. Continuous monitoring and assistance mechanisms will be enhanced to prevent populations that have been lifted out of poverty from falling back into it again. Stable employment for these populations should be ensured, and more skills training will be made available to them. We will further develop industries in areas that are no longer in poverty, provide follow-up support for those who have been relocated from inhospitable areas, and enhance regular and tiered assistance of various types to low-income rural residents. These steps will forestall a large-scale reemergence of poverty.

A number of counties lifted out of poverty in western China will be designated
as key counties for receiving assistance for rural revitalization. The mechanisms for collaboration between the eastern and western regions and for providing paired assistance will remain in place and be improved. Central departments and organizations as well as non-governmental actors will continue to play their roles in providing assistance. All these efforts will help those areas which have been lifted out of poverty enhance their capacity for sustaining self-development.

*We will enhance our ability to ensure the supply of food and major agricultural products.*

Seeds and cropland are crucial for safeguarding China’s food security. We will strengthen the protection and use of germplasm resources and the breeding and application of fine crop varieties, and strive to make key technological breakthroughs in agriculture.

The standards for maintaining high-quality farmland will be raised, and irrigation facilities will be improved. We will enhance the protection of cropland, and resolutely stop any attempt to use it for purposes other than agriculture and specifically grain production.

We will promote mechanization and digitalization of agriculture. Agricultural belts for national food security and demonstration zones for agricultural modernization will be developed. Subsidies for grain growers will be maintained, and minimum purchase prices for rice and wheat will be increased as appropriate. Pilot insurance programs covering total production costs and incomes will be expanded. Grain acreage will be kept stable, per unit crop yield will be increased, and the quality of grains will be raised.

We will adopt multiple measures to expand the production of oil-bearing crops, develop livestock, poultry, and aquaculture farming, and promote stable hog production. Prevention and control of animal and plant diseases will be enhanced.

We will ensure stability in the supply and prices of agricultural products, and launch food saving initiatives. Ensuring that our people have enough food remains a top priority for our government. We are resolved to ensure food security for our 1.4 billion people, and we know we can achieve this.

*We will take solid steps in advancing rural reform and development.*

We will consolidate and improve the system of basic rural operations. We will keep rural land contract relationships unchanged over the long term, steadily promote appropriately scaled agribusiness operations of various types, and speed up the development of specialized and commercial services. Trials for the reform of rural residential land will be advanced in a steady and prudent fashion. New rural collective economies will be developed. Reforms of supply and marketing
cooperatives, collective forest tenure, state forestry areas and farms, and state farms will be deepened.

More of the revenue from land sales will be spent on agriculture and rural development. We will strengthen basic public services and infrastructure construction in rural areas and promote integrated urban-rural development in counties. A five-year program to improve the rural living environment will be launched, and cultural and ethical standards in rural areas will be raised.

We will ensure that rural migrant workers receive their pay on time and in full. We will promote faster development of rural industries, strengthen county economies, and provide more support for migrant workers to start businesses in their hometowns, so as to enable rural people to seek employment through more channels. We will do our utmost to see that rural residents in their hundreds of millions can earn higher incomes and embrace a brighter future.

6. Pursuing high-standard opening up and promoting stable and improved performance in foreign trade and investment

We will open up more sectors of the economy in a more thorough fashion and participate more fully in international economic cooperation.

We will promote steady growth of imports and exports.

We will increase credit support to small and medium foreign trade firms, expand the coverage of export credit insurance and streamline the conditions for insurance acceptance and claims settlement. Trials to facilitate foreign exchange settlement for trade firms will be advanced. We will keep the processing trade stable, develop new forms and models of trade such as cross-border e-commerce, and support enterprises in diversifying their markets overseas. We will also develop border trade.

New approaches will be explored to develop trade in services. We will improve and adjust import tariff policies and increase imports of quality products and services. Trade promotion services will be improved, and good preparations will be made for holding major trade events such as the China International Import Expo, the China Import and Export Fair, the China International Fair for Trade in Services, and the first China International Consumer Products Expo. We will work to ensure smooth international logistics services, overhaul and standardize port charges, and further simplify customs clearance.

We will use foreign investment more effectively.

The negative list for foreign investment will be further cut. We will open the service sector in a well-regulated way, launch more comprehensive trials on its opening, and formulate a negative list for cross-border trade in services. We will
further the development of the Hainan Free Trade Port, pursue reform, opening up, and innovation in pilot free trade zones, promote coordinated development of special customs regulation zones and pilot free trade zones, and fully leverage the role of economic development zones as platforms for opening up.

We will promote fair competition between domestic and foreign companies and protect the lawful rights and interests of foreign-invested enterprises. Foreign investors are welcome to expand their investments in China and share in its vast open market and development opportunities.

*We will promote high-quality Belt and Road cooperation.*

We are committed to the principle of achieving shared growth through consultation and collaboration. We will, with enterprises as the main actors and acting on market principles, set up a sound, diversified investment and financing framework, provide better legal services and safeguards, and work to steadily advance cooperation on major projects and promote infrastructure connectivity.

We will work to improve the performance of China’s outbound investment and international cooperation in this area.

*We will deepen multilateral, bilateral, and regional economic cooperation.*

We will continue to uphold the multilateral trading regime. We will work for the early entry into force and implementation of the Regional Comprehensive Economic Partnership Agreement and the signing of the China-EU Comprehensive Agreement on Investment. We will accelerate China’s free trade negotiations with Japan and the Republic of Korea. China will actively consider joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. We will promote the growth of mutually beneficial China-US business relations on the basis of equality and mutual respect. China stands ready to work with other countries to achieve mutual benefits on the basis of greater mutual opening.

**7. Enhancing Pollution Prevention and Control and Ecological Conservation and Promoting Continuous Environmental Improvement**

We will fully implement the sustainable development strategy, consolidate the gains in our endeavors to keep our skies blue, our waters clear, and our lands pollution-free, and transition to eco-friendly production and ways of life.

*We will continue to intensify efforts to improve the environment.*

We will strengthen comprehensive measures and joint efforts on air pollution prevention and control, and step up coordination on the control of fine particulate matter and ozone pollution. Clean heating will account for 70 percent of all heating in northern China.

We will clean up sewage outfalls into seas and rivers and black, malodorous
water bodies in cities. We will enhance our capacity to collect urban household sewage and to treat waste water from industrial parks. We will take stringent measures to prevent soil pollution at the source, and take stronger action to address agricultural pollution from non-point sources.

The ban on the importation of solid waste will remain in place. Urban household waste sorting will be promoted in a well-planned way, the use of eco-friendly express delivery packaging will be encouraged, and the collection and treatment of hazardous waste and medical waste will be improved.

The formulation of regulations on compensation for environmental conservation will be put on the agenda. We will enforce a ten-year fishing ban in the waters of the Yangtze River, and carry out major biodiversity protection projects. We will systematically promote comprehensive control of desertification, rocky desertification, and soil erosion, continue to launch large-scale land greening programs, protect the marine environment, and protect and restore ecosystems. We hope that our common home will have clearer waters and the skies above it will be bluer.

We will take solid steps toward the goals of achieving peak carbon dioxide emissions and carbon neutrality.

We will draw up an action plan for carbon emissions to peak by 2030. China’s industrial structure and energy mix will be improved. While promoting the clean and efficient use of coal, we will make a major push to develop new energy sources, and take active and well-ordered steps to develop nuclear energy on the basis of ensuring its safe use.

We will expand the catalog of corporate income tax credits for environmental protection and the conservation of water and energy, and promote the development and application of new types of energy-efficient and eco-friendly technologies, equipment and products, and the cultivation of energy-saving and environmental protection industries to ensure the conservation and efficient use of resources.

We will accelerate the development of national markets for trading energy use rights and carbon emissions rights, and improve the system to control both the total amount and intensity of energy consumption. We will introduce special policies on providing financial support for green and low-carbon development, devise instruments for supporting the reduction of carbon emissions, and enhance the carbon absorption capacity of ecosystems.

As a member of the global village, China will continue to take concrete action to play its part in the global response to climate change.
8. Improving living standards and steadily advancing social development

We will, with a focus on resolving the difficulties of our people, respond promptly to public concerns and continue working to improve people’s lives.

*We will develop more equitable and higher-quality education.*

We will build an education system that ensures the well-rounded development of students in terms of moral grounding, intellectual and physical ability, aesthetic sensibility, and work skills. We will promote high-quality, well-balanced, and integrated development of compulsory education in both urban and rural areas. We will work quickly to improve the basic conditions of rural schools, refine the long-term mechanism for ensuring salary payments to teachers, and improve the pay packages of teachers in rural schools.

We will raise the preschool enrollment ratio, improve the mechanism to support public-interest pre-school education, and support private actors in running kindergartens. We will encourage the diversified development of senior secondary schools and the development of county high schools.

We will enhance the adaptability of vocational education, deepen industry-education integration and school-enterprise cooperation, and implement the system of vocational technical grade certificates. We will provide high-quality special needs education and continuing education, and support the development of private schools in a well-regulated way.

We will develop first-rate universities and academic disciplines on a categorized basis, move faster to improve the composition of disciplines and majors, and promote the development of foundational disciplines, cutting-edge disciplines, and emerging inter-disciplinary fields. We will support the development of higher education in the central and western regions.

Efforts to promote standard spoken and written Chinese will be stepped up. We will give full play to the advantages of online education, improve the lifelong learning system, and encourage public respect for teachers and public support for education. We will further the reform of educational assessment, improve the mechanism of school-family-society cooperation in educating students, and keep off-campus training well-regulated.

We will strengthen the professional ethics and competence of teachers, and make major strides in ensuring equitable education. We will endeavor to provide better schooling for children of rural migrant workers in cities, and continue to have universities and colleges enroll more students from the central and western regions and rural areas. We will ensure that students live healthy and happy lives and that every child has the opportunity to fulfill their potential.
We will improve the healthcare system.

We will, with emphasis on prevention, continue to advance the Healthy China initiative and carry out extensive patriotic health campaigns. We will deepen the reform of the system for disease prevention and control, strengthen community-level public health systems, and develop new mechanisms for enhancing coordination between disease prevention and control agencies and hospitals. We will improve the system for responding to public health emergencies and providing emergency supplies, and put in place a mechanism for ensuring stable funding for public health institutions. We will attach greater importance to mental and psychological health.

We will advance the comprehensive reform of public hospitals, expand trials on setting up national medical centers and regional medical centers, strengthen the ranks of general practitioners and rural doctors, and improve the capacity of medical services at the county level. The tiered diagnosis and treatment system will be developed at a faster pace. We will support both traditional Chinese medicine and Western medicine, and a major project will be launched to promote the development of traditional Chinese medicine. We will support the development of private hospitals, and promote well-regulated growth of Internet Plus Healthcare initiatives. We will tighten regulation and supervision of food, drugs, and vaccines.

We will take steps to make medical treatment more accessible, such as simplifying medical appointment procedures, so as to ensure that patients with severe, acute, or hard-to-treat diseases receive treatment as soon as possible. Government subsidies for basic medical insurance for rural and non-working urban residents will increase by an average of 30 yuan per person, and subsidies for basic public health services will increase by 5 yuan per person. We will promote provincial-level unified management of basic medical insurance funds and realize inter-provincial on-the-spot settlement of outpatient bills through individual accounts for basic medical insurance.

We will also develop a general support mechanism for covering outpatient medical bills, and take gradual steps toward reimbursing outpatient bills through unified accounts. We will improve the mechanism for ensuring provision of medicines in short supply and keeping their prices stable. More medicines for chronic and common illnesses and high-priced medical consumables will be covered by bulk government purchases. These are all steps that will lighten the burden on patients by another considerable margin.

We will strive to meet people’s housing needs.
Upholding the principle that housing is for living in, not for speculation, we will keep the prices of land and housing as well as market expectations stable. We will address prominent housing issues in large cities. By increasing land supply, earmarking special funds, and carrying out concentrated development schemes, we will increase the supply of government-subsidized rental housing and shared ownership housing. We will ensure well-regulated development of the long-term rental housing market, and cut taxes and fees on rental housing. We will make every effort to address the housing difficulties faced by our people, especially new urban residents and young people.

*We will do more to meet people’s basic living needs.*

We will increase the basic pension for retirees and the subsidies and living allowances for entitled groups, and work toward unified national management of basic old-age insurance funds. As the third pillar, private pensions will develop in a well-regulated way. The national social insurance public service platform will be improved.

We will increase the benefits for service members and their families, ex-service members, and other entitled groups, while also refining our work systems and support mechanisms for ex-service members. The coverage of unemployment insurance will be further expanded. We will promote the integration of medical care and health care, and steadily advance trials of long-term care insurance. We will develop public-interest elderly care services and mutual-aid elderly care, as well as infant and child care services.

We will develop diversified community services, including elderly care, child care, dining services, and cleaning services, build more supporting facilities and barrier-free facilities, and introduce more preferential policies to make life more convenient for community residents. We will improve traditional services, and provide elderly people and other groups with more comprehensive and considerate services. The rollout of smart services should also cater to elderly people and people with disabilities, so that smart devices do not become a barrier in their daily lives.

We will refine the social welfare systems for orphans and people with disabilities, strengthen disability prevention, and provide quality rehabilitation services for people with disabilities. We will provide social assistance of different types at different levels and ensure timely help and support for people in difficulty due to Covid-19 or natural disasters. We are fully determined to ensure that the basic living needs of all our people are met.

*We will better meet the intellectual and cultural needs of our people.*
We will cultivate and promote the core socialist values, carry forward the great spirit forged in the battle against Covid-19 and in the fight against poverty, and foster civic virtue. China’s press and publishing, radio, film, and television, literature and art, philosophy, social sciences, and archives will continue to flourish. More efforts will be made to ensure the quality of online content through improved management, and to cultivate a positive and healthy online culture.

Fine traditional Chinese culture will be preserved and carried forward. China’s cultural and historical artifacts will be placed under effective protection and put to good use, and our intangible cultural heritage will be kept alive. We will build national cultural parks. We will promote integrated development of urban and rural public cultural services and launch new public cultural projects. A love of reading will be fostered among our people.

China’s cultural and people-to-people exchanges with other countries will be deepened. The public service system for fitness and physical activity will be improved. We will make meticulous preparations for the 2022 Winter Olympics and Paralympics in Beijing and other major sports events.

*We will strengthen social governance and develop new ways to conduct it.*

We will consolidate the foundations of primary-level governance, improve the governance and service systems for urban and rural communities, and advance trials on modernizing municipal social governance. The social credit system will be improved. We will enhance social services, support the development of social organizations, humanitarian assistance, volunteer service, public-interest activities, and charity. We will protect the lawful rights and interests of women, children, the elderly, and people with disabilities. The system for handling public complaints will be further refined and more efforts will be made to resolve social disputes through multiple channels. The provision of legal aid will be strengthened and the eighth five-year plan for increasing public knowledge of the law will be launched.

We will strengthen our emergency rescue capacity and disaster prevention, mitigation, response, and relief capabilities. We will make solid efforts to protect against floods, droughts, forest and grassland fires, geological disasters, and earthquakes, and provide quality meteorological services.

We will improve and implement the system of accountability for workplace safety, carry out a three-year campaign to promote workplace safety, and take firm measures to prevent serious and major accidents.

We will improve the crime prevention and control system, make efforts to combat organized crime and root out local criminal gangs on an ongoing basis, and prevent and punish crimes of all types to effectively safeguard social stability and
public safety.

Fellow Deputies,

In the face of new tasks and challenges, our governments at all levels must be keenly aware of the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment with the central Party leadership. We should stay confident in the path, theory, system, and culture of socialism with Chinese characteristics; and we should uphold General Secretary Xi Jinping’s core position on the Party Central Committee and in the Party as a whole, and uphold the Party Central Committee’s authority and its centralized, unified leadership.

We will closely follow the Party Central Committee with Comrade Xi Jinping at its core in thinking, stance, and action, practice the people-centered development philosophy, keep enhancing our capacity for political judgment, thinking, and implementation, and enforce full and strict Party self-governance. We will carry out activities to study the history of the CPC. We will boost development of a government based on the rule of law, conduct administration in accordance with the law, and ensure transparency in all government affairs. We will work to ensure that law enforcement is strict, procedure-based, impartial, and civil.

We will, in compliance with the law, subject ourselves to the oversight of people’s congresses and their standing committees at the corresponding level, and readily submit to the democratic oversight of the CPPCC, public oversight, and oversight through public opinion, while strengthening auditing-based oversight. We will support trade unions, Communist Youth League organizations, women’s federations, and other people’s organizations in better playing their roles.

We will work harder to improve Party conduct, ensure clean government, and root out corruption, and continue to implement the central Party leadership’s eight-point decision on conduct. We in government must readily subject ourselves to the oversight of the law, supervisory bodies, and the people. We will intensify efforts to build a clean government and continue to prevent misconduct and corruption.

Although remarkable achievements have been made in China’s economic and social development, we still have quite a way to go and a lot of hard work to do before we can achieve modernization in all respects. We must bear in mind the reality that China is still in the primary stage of socialism and run our affairs well.

For all of us in government, the people must always be uppermost in our minds. We must take a fact-based approach, and pursue development and improve people’s lives in a realistic and pragmatic way.
We must guard against pointless formalities and bureaucratism and one-size-fits-all approaches in our work, so as to truly lighten the burden on all those working on the ground.

We need to remain vigilant, be prepared for adversity, face difficulties squarely, and shoulder responsibility bravely to effectively prevent and defuse various risks and potential dangers.

We should keep everyone motivated in advancing reform and opening up, and further energize market entities and unlock social creativity. In the course of pursuing development, we will take steps to address imbalances and inadequacies in development. We must take on responsibility, work hard, and continue creating achievements to meet the expectation of our people.

Fellow Deputies,

We will continue to apply and improve the system of regional ethnic autonomy, and fully implement the Party’s policies on ethnic affairs. We will forge a strong sense of community among the Chinese people and encourage all China’s ethnic groups to work in concert for common prosperity and development.

We will fully implement the Party’s basic policy on religious affairs, uphold the principle that religions in China must be Chinese in orientation, and work to guide religions in adapting to socialist society. We will fully carry out the Party’s policies on overseas Chinese affairs, safeguard the lawful rights and interests of Chinese nationals residing abroad, returned overseas Chinese, and relatives of overseas Chinese nationals residing in China. By doing so, we will pool the tremendous strengths of all the sons and daughters of the Chinese nation to accomplish remarkable achievements.

Last year, major success was attained in the development of national defense and the armed forces. Our people’s forces, with complete competence and fine conduct, safeguarded China’s national security and participated in epidemic control.

This year, we will thoroughly implement Xi Jinping’s thinking on strengthening the armed forces and the military strategy for the new era, ensure the Party’s absolute leadership over the people’s armed forces, and strictly implement the system of ultimate responsibility resting with the chairman of the Central Military Commission.

We will, bearing in mind the goals set for the centenary of the People’s Liberation Army, continue to enhance the political loyalty of the armed forces, strengthen them through reform, science and technology and the training of
capable personnel, and run them in accordance with the law. The integration of mechanized, informatized, and intelligent development of the military will be accelerated.

We will boost military training and preparedness across the board, make overall plans for responding to security risks in all areas and for all situations, and enhance the military’s strategic capacity to protect the sovereignty, security, and development interests of our country. We will improve the layout of defense-related science, technology, and industry, enhance the defense mobilization system, and strengthen public awareness about national defense.

We in government at all levels should vigorously support the development of national defense and the armed forces, and conduct extensive activities to promote mutual support between the civilians and the military, so as to forge an ever closer bond between the people and the military in the new era.

Fellow Deputies,

We will stay true to the letter and spirit of the principle of One Country, Two Systems, under which the people of Hong Kong administer Hong Kong and the people of Macao administer Macao, both with a high degree of autonomy. We will improve the relevant systems and mechanisms of the two special administrative regions for enforcing the Constitution and the basic laws; we will ensure the implementation of the laws and enforcement mechanisms for the two regions to safeguard national security. We will resolutely guard against and deter external forces’ interference in the affairs of Hong Kong and Macao. We will support both regions as they grow their economies and improve people’s lives, so as to maintain the long-term prosperity and stability of Hong Kong and Macao.

We remain committed to the major principles and policies on work related to Taiwan, to the one-China principle and the 1992 Consensus, and to promoting the peaceful growth of relations across the Taiwan Strait and China’s reunification. We will remain highly vigilant against and resolutely deter any separatist activity seeking “Taiwan Independence.”

We will improve the systems and policies for safeguarding the wellbeing of our Taiwan compatriots and ensuring they enjoy the same treatment on China’s mainland as local residents. We will promote exchanges, cooperation, and integrated development across the Taiwan Strait. Together, we can shape a bright future of rejuvenation for our great nation.

China will continue to pursue an independent foreign policy of peace. We will actively work to develop global partnerships and promote the building of a new
type of international relations and a human community with a shared future. We will continue to pursue the policy of opening up and cooperation and work to make the system of global governance fairer and more equitable. We will continue to deepen international and regional cooperation, and actively participate in international cooperation to prevent and control major infectious diseases.

China remains committed to pursuing peaceful coexistence and common development with all other countries in accordance with the principle of mutual respect, equality, and mutual benefit. China will join hands with them to meet global challenges and work tirelessly to promote world peace and prosperity.

Fellow Deputies,

As we shoulder heavy responsibilities, we must forge ahead with even greater resolve.

Let us rally more closely around the Party Central Committee with Comrade Xi Jinping at its core, hold high the great banner of socialism with Chinese characteristics, follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and push forward in a concerted effort to complete the objectives and tasks for this year and celebrate the centenary of the Communist Party of China with outstanding achievements.

Let each and every of us keep making tireless efforts to build China into a great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious and beautiful, and fulfill the Chinese Dream of national rejuvenation.