





FURTHER TARIFF CUTS TO BOOST TRADE, CONSUMPTION

Move covers 1,585 industrial products including machinery and electronic devices, textiles, and paper-made commodities

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The decision to cut import tariffs from the start of next month is expected to reduce China's overall tariff from 9.8 percent to 7.5 percent, which along with other measures will work to reduce tariffs by nearly 60 billion yuan (\$8.7 billion), according to the State Council.

Experts said the move demonstrates the country's determination and fulfillment of its promise to further open its door to the outside world while firmly supporting free trade.

The State Council decided to cut tariffs on 1,585 industrial products during an executive meeting presided over by Premier Li Keqiang on Sept 26.

Starting Nov 1, the average rate for machinery and electronic devices will be cut to 8.8 percent, down from the current 12.2 percent, the China's Cabinet said.

The average rates for textiles and construction materials will be set at 8.4 percent, while the rate for paper-made commodities and other primary products

will fall from 6.6 percent to 5.4 percent.

When the new tariffs come into effect, China's overall tariff is estimated to be a little higher than the European Union and lower than many developing countries, including Thailand, Mexico and Vietnam, according to Chen Fengying, a senior researcher at the China Institutes of Contemporary International Relations.

China's rate should be at the medium level among developing economies and in line with its status as a developing nation, she

At a policy briefing hosted by the State Council Information Office in June, Zhu Guangyao, former vice-minister of finance, said tariffs are levied based on import prices rather than domestic market prices. Therefore, the tariff reduction can lower import costs and, in turn, help lower the prices of commodities on the domestic market, he said

Lower tariffs and commodity prices can stimulate domestic consumption while more choices will be made available to domestic consumers. Chen said The new policy marks the third time this year China has reduced tariffs on imported goods. A State Council executive meeting in May decided to decrease tariffs on a number of daily consumer goods, while a meeting in April placed a zero-tariff policy on cancer medicines

The latest move is also the seventh round of import tariff reductions since the beginning of 2015, aiming to facilitate international trade and benefit consumers.

Over the past five years, China has contributed more than 30 percent of global economic growth, Premier Li said in March when he delivered the Government Work Percent

Ministry of Commerce figures showed that the country imported goods worth 7.8 trillion yuan from January to July, an increase of 12.6 percent compared with the same period last year.

In the next 15 years, China is forecast to import goods worth \$24 trillion, Xinhua News Agency reported.

Bai Ming, deputy director of the International Market Research Institute, part of the Chinese Academy of International Trade and Economic Cooperation, said the new tariff policy focuses on raw materials and primary industrial products.

China's further opening-up is embodied by the lowered threshold for market access, which should be boosted with trade facilitation, Bai said. Reducing import tariffs is a vital means to improve trade liberalization and can help China buy high-quality products in the global context while promoting the industrial upgrade of its own economy, he said

Cui Fan, a professor at the University of International Business and Economics, said the move is part of China's long-term endeavors to lower tariffs. Combined with a number of policies released by the State Council to attract foreign investors, the tariff policy is expected to improve the business environment and help boost foreign investment in the world's second-largest economy, he said.

Foreign direct investment in China is expected to remain stable in the fourth quarter and next year, Cui added.

7.5

percent

Level China's overall tariff is expected to reach, down from 9.8 percent, after the new round of reductions in import tariffs, which come into effect on Nov 1

\$8.7

The amount tariffs are forecast to drop by due to the new reductions and other measures

8.8 percen

The average tariff rate for machinery and electronic devices starting Nov 1, down from 12.2 percent

Policy digest

Increased efforts vowed to prevent swine fever spreading



China will step up efforts to prevent the spread of African swine fever, the State Council decided at an executive meeting chaired by Premier Li Keqiang on Sept 26.

Although the outbreaks are not spreading, the meeting called for zero complacency in disease control efforts, according to a statement released after the meeting.

Local authorities are required to take

general responsibility for prevention efforts in their areas and must perform oversight in outbreak areas to implement measures including culling and disinfection.

The use of swill as pig feed in provincial areas that have reported outbreaks is strictly prohibited. The screening and monitoring of outbreaks will also be stepped up, and more efforts will be devoted to research into key technologies for prevention and vaccines, the statement said.

The central government will provide financial support to improve oversight of pig farming areas, slaughtering and quarantine procedures, and transport vehicles, it said, adding that more will also be done to prevent infected pigs from going to market, with measures to ensure pigs in affected provincial areas and surrounding areas cannot be transported outside.

Pork supplies will be ensured to meet public demand and food safety, the statement said.

Production license revamp continues to reduce red tape

The State Council has decided to cut the categories of industrial products that require official licensing for production, according to a policy document released on Sept 30.

A further 14 categories of industrial products will no longer require official licensing for production, reducing the number of categories that require such licensing from 38 to 24, the document said

For the remaining 24 categories, simplified approval procedures will be adopted to further cut red tape. The old practice of product inspection before the issuing of approval will give way to enterprises presenting reports that show their products passed quality tests.

For products related to environmental protection and public health and safety, the official licensing will be replaced by the China Compulsory Certification, it said.

Incentives will encourage enterprises to conduct certification on their own as part of the measures to help build their brand and expand markets.

The measure follows a decision by the State Council in September last year to cut 19 categories of products, including water pipes and rechargeable batteries.

For enterprises whose products still require licensing from provincial authorities, all except for producers of dangerous chemicals can submit the necessary materials and guarantee authorities about the quality of their products before they obtain licenses, the document said.

Management of cental SOE leaders stepped up

China will step up management of the officials who run centrally administered State-owned enterprises, according to a regulation published on Sept 29.

The regulation, released by the general offices of the Communist Party of China Central Committee and the State Council, is aimed at encouraging central SOE leaders to take new responsibilities in the new era. It is also intended to introduce a better management system that is different from that of the Party and government officials.

The regulation includes stipulations on the leaders' qualification, appointment, performance evaluation, payment and incentives.

It will also help enhance the Party leadership over central SOEs, improve the quality of management for managers, further stimulate and protect entrepreneurship, and develop world-class enterprises with global competitiveness, the regulation said.

The regulation was adopted in May at the second meeting of the Committee for Deepening Overall Reform of the CPC Central Committee. Central SOE leaders should be selected on the basis of both integrity and ability, with priority given to integrity, while equal emphasis should be placed on providing incentives and imposing constraints, a statement released after the meeting said.

XU WEI

POLICY RESPONSE

Bad commercials, holiday traffic flow and fireworks come under scrutiny

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Several ministry-level departments, including the Ministry of Industry and Information Technology, the National Radio and Television Administration, and the Ministry of Public Security, have responded to issues of public concern.

5G development to spur competitiveness



The Ministry of Industry and Information Technology said on Wednesday it will devote more efforts to speed up the development of fifth-generation mobile communications technology to improve China's core competitiveness in the digital economy.

The ministry said the country is speeding up 5G development, and the third phase of research and development for the technology is underway. It also plans to step up coordinated development between 4G and 5G, as well as deepen global 5G cooperation and jointly develop an open and integrated 5G industry.

160,000 traffic officers aid holiday traffic flow



The Ministry of Public Security said on Wednesday that more than 160,000 traffic police officers were dispatched nationwide to ensure road safety and smooth traffic flow during the weeklong National Dayholiday.

Road traffic remained in good order in the first three days of the holiday, with no reports of accidents causing the deaths of more than five people and no major road congestion, the ministry said.

However, traffic was still heavy in major cities and scenic spots, it said, adding that drivers should avoid rush hours and watch out for bad weather.

Crackdown aims at vulgar commercials

China's television and radio watchdog has launched a three-month campaign targeting commercials that violate laws and regulations.

The National Radio and Television Administration said it will clamp down on advertisements with vulgar, exaggerated, false or misleading content, as well as those that exceed the stipulated time limits and threaten the physical or mental health of juveniles.

The watchdog called for strict enforcement of the laws and regulations on ads and juvenile protection. Radio and TV stations that fail to broadcast enough public service announcements will also be punished, it said.

The campaign will focus on ads for drugs, healthcare products cosmetics and financial products, the authority said.

\$30m to lift typhoon recovery efforts



The central government has allocated a total of 210 million yuan (\$30.49 million) to Guangdong province and the Guangxi Zhuang autonomous region after the two areas were hit by Typhoon Mangkhut last month.

The funds will be used to relocate citizens, provide emergency livelihood support and rebuild damaged homes, the Ministry of Emergency Management said.

Some 3 million people were affected by the super typhoon, which landed on the coast of Jiangmen, Guangdong, on Sept 16. The ministry launched a Level 5 emergency response in affected areas and sent work groups to assist with the local disaster relief work.

Fireworks plants focus of safety check

The Ministry of Emergency Management has also called for greater efforts to ensure work safety at fireworks factories in Jiangxi and Hunan provinces after carrying out an oversight campaign.

The ministry sent a work group to the two provinces, both major production bases for fireworks, and conducted random checks at seven plants. The group found several potential hazards at the enterprises, including inadequate safety facilities, a lack of work safety measures and a failure to implement product standards.

The work group called on local authorities to immediately rectify the hazards and come up with economic penalties for the violators. Plants found with severe problems must suspend production, the ministrated of the control of the c

Local work safety departments must take strong measures to ensure safety at fireworks plants and prevent accidents, it added.