

POLICY REVIEW

Further stimulus unveiled for private firms

Oil, petrochemical and power grid sectors opened to non-State enterprises

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The central government has rolled out measures to level the playing field for private businesses, including steps to lower operating costs and facilitate their investment in a wide range of sectors.

The policies were explained in a guideline issued by six central government departments on Oct 23.

The document said the government is seeking to further stimulate the vitality and creativity of private businesses to help them cope with the fallout from the COVID-19 pandemic and to create more jobs.

To further widen market access for private businesses, the guideline said the oil, petrochemical and power grid sectors will be further opened to non-State companies, especially those involved in businesses related to energy saving and environmental protection.

The government will introduce policy incentives to encourage private businesses to take part in the development of railways, and support the entry of private capital into financial services such as banking, securities, asset management and the bond markets, the guideline said.

The market-oriented reform of testing agencies will be further advanced and private capital will be encouraged to invest in a larger number of sectors, it added.

Zhao Chenxin, deputy secretary-general of the National Development and Reform Commission, said the guideline is aimed at solving existing challenges faced by private businesses while cementing their long-term growth momentum.

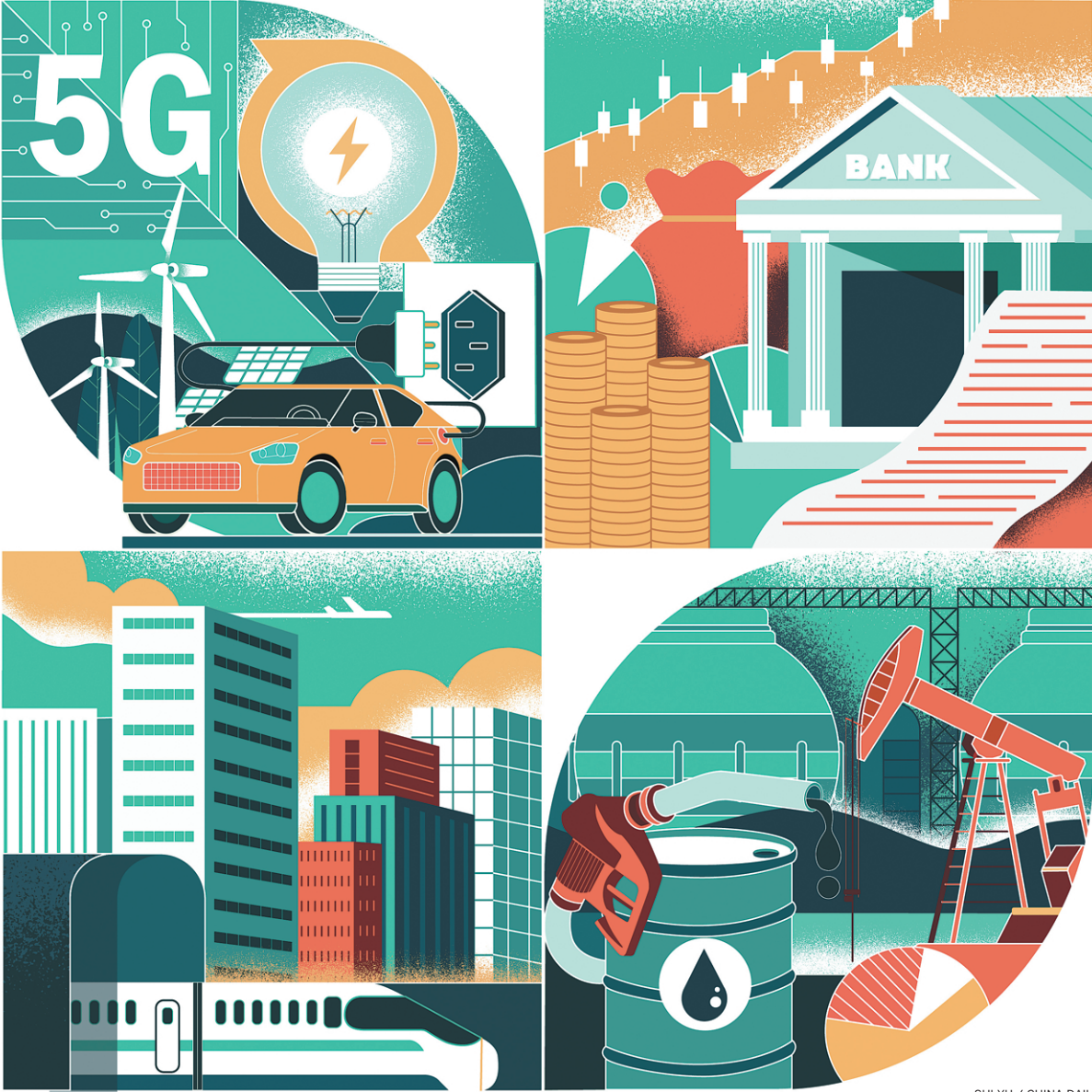
“Building up confidence is the key to supporting the reform, development and transformation of private businesses, while a level playing field will provide a foundation,” he said at a briefing on Oct 27.

Another highlight is that the measures pledge to scale up credit support for private businesses, with moves to help commercial banks increase the availability of loans to manufacturers, especially over the medium and long terms, he added.

The guideline said private companies will be encouraged to undertake bond financing, with the government set to greenlight the issuance of corporate bonds on a greater scale.

“We hope that the scale of credit financing (for private businesses) will become bigger and bigger,” Zhao said.

The guideline pledged to offer fair conditions in the accreditation and certification of newly added production capacity in sectors



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such as new energy vehicles and commercial vehicles.

Small and micro enterprises will also enjoy full returns of their contributions to trade union funds this year, the guideline said.

To cut businesses' logistics costs, the government said it will standardize the charges levied by ports, railways and airports, and establish a mechanism to guarantee land use for logistics infrastructure.

Zhu Keli, executive director of the China Institute of New Economy, said the importance of China's private sector is illustrated by the fact that it provides jobs for more than 80 percent of rural residents, and the authorities had scaled up

relief measures in response to the hard hit taken by non-State companies as a result of the pandemic earlier this year.

He noted that it is now even more urgent for private businesses to step up research and development amid threats of technology blockades from some countries, and the government must encourage non-State companies to play a greater role in leading innovation in science and technology.

Wang Han, chief economist at the brokerage Industrial Securities, said the latest policies include targeted measures to tackle the challenges faced by private businesses in obtaining financing.

“Rather than simply pressuring banks to scale up credit supply to private businesses, the guideline has highlighted the importance of a credit financing mechanism that encourages government departments, public institutions and major internet platforms to share companies' credit information with financial institutions,” he said.

As such, the government has expanded financing channels for businesses such as manufacturers, many of whom have long been troubled by a lack of tangible assets they can pledge as collateral when they are attempting to raise funds.

The guideline also said the scope of collateral for private businesses will be greatly expanded, which Wang said will make it easier for such companies to obtain financing from a wider range of sources.

The government reiterated the need to encourage private businesses to take part in the mixed-ownership reform of State-owned enterprises, with private companies set to receive more incentives in the restructuring of SOEs via share acquisitions.

Wang said the reform will also widen market access for private companies, while further energizing the public sector.

POLICY RESPONSE

Express boxes recycled, sanitary toilets built to protect environment

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A slew of ministry-level departments, including those responsible for logistics, health, agriculture and aviation have recently responded to matters of public concern.

Recycling helps delivery packaging go green

Last year, 200 million packaging boxes were recycled and reused across China's delivery and express industry, as the country made remarkable progress in the green governance of express packaging, according to a report published on Oct 23.

Compiled by the State Post Bureau's development and research center, the report said a more environmentally friendly development framework is taking shape.

Last year, 98 percent of delivery packages used electronic waybills to avoid the use of paper, equaling 61.7 billion sheets of A4.

E-commerce also scaled back the use of excessive packaging, with the proportion of recycled transit bags reaching 75 percent, saving 2.48 billion single-use plastic woven bags, the report said.

About 78 million self-assembly cartons were saved, thanks to the use of recyclable boxes, while the indus-

try promoted low-carbon transportation by using 43,000 clean energy vehicles.

Shen Hongyan, director of the center, said science and technology are playing more significant roles in supporting the courier industry's green development by reducing costs and promoting increased efficiency.

The report reaffirmed the government's plan to curtail the use of non-degradable plastic packaging, plastic tape and single-use plastic woven bags at postal and express service outlets by 2025.

Plan outlined to prevent childhood, juvenile obesity

Ministries and departments have set a goal of reducing the average annual growth rates in the number of overweight and obese children and adolescents by 70 percent from a baseline during the coming decade.

The baseline will be the average



rise in the number of such children from 2002 to 2017, according to a plan on managing childhood and adolescent obesity that was issued on Oct 16 and made public on Oct 23 by six departments, including the National Health Commission and the Ministry of Education.

The problem of obesity has spread nationwide, affecting the physical and mental health of children and adolescents.

In response, the plan specifies measures to be taken by families, schools, medical institutions and government bodies to achieve the goal.

The plan calls on family members to help children maintain a healthy diet, assist them in developing regular exercise as a hobby and monitor weight gain.

The authorities have ordered schools to provide nutritious, balanced diets, and guarantee a specified amount of time for physical activities. Elementary, secondary and high schools should provide at least one hour of medium-intensity exercise per day and more than three hours of high-intensity activities every week, the plan said.

Restroom revolution is flushed with success

China has made great progress in improving the rural living environ-

ment, with restroom renovation projects yielding remarkable results, the Ministry of Agriculture and Rural Affairs said recently.

Wu Hongyao, a senior official with the ministry, said that more than 30 million rural households have had their sanitation facilities renovated since 2018, when a three-year plan was unveiled to improve the rural living environment.

The ministry defined the plan as a key step toward the goal of building a moderately prosperous society in all respects.

Now, more than 65 percent of rural households have access to sanitary toilets, Wu said at a news briefing on agricultural and rural development on Oct 27.

The treatment of sewage and garbage is improving as waste collection, transportation and disposal systems now cover more than 90 percent of all villages, according to Wu.

The ministry will review the outcome of the three-year plan and formulate further measures in the coming five years to bolster public satisfaction in rural areas, he said.

Civil aviation sector hails decade of safe operations

As of September, the nation's civil aviation sector had seen safe flight operations for 10 consecutive years



and one month, according to the Civil Aviation Administration of China. By the end of September, the sector had recorded a total of 86.69 million safe flight hours, according to the administration at a news conference held on Oct 15.

The country is the world's second-largest civil aviation market, with 660 million passenger trips last year, a rise of 7.9 percent from 2018, according to CAAC.

Since 2016, the civil aviation authorities have rigidly implemented a strategy to control the total volume of flights and implement structural adjustments to ensure the sustainability of the civil aviation industry, the administration said.

CAAC said it has consistently improved safety management and infrastructure construction to sustain the sector, and great efforts have been made to promote early warning of risks and the regulation of priorities based on related data.

Policy digest

Regulations revised to improve awards

Premier Li Keqiang has signed a State Council decree to revise the regulation of national science and technology awards, according to an announcement on Oct 27.

The revision aims to reward individuals and organizations that have made outstanding contributions in the fields of science and technology, motivate researchers, spur creativity to shape an innovation-driven country and make China a major global scientific nation, the announcement said.

The changes will mean awards should combine closely with the country's major strategies and medium- and long-term scientific and technological development plans, the regulation said.

It added that the country will step up rewards for basic research in natural sciences and application-oriented basic research.

The awards will also adopt a nomination system to replace the current recommendation system.

When the reform comes into effect, experts, scholars, organizations and relevant government departments will nominate potential candidates.

That will give full play to the role of experts and scholars, and strengthen the awards' academic nature, according to the regulation. A database will be built to record serious breaches of integrity in scientific research, while seeking improper benefits in the name of the awards will be prohibited, the regulation said.

Private actors will also be encouraged to found science and technology awards.

The revised regulation will come into effect on Dec 1.

New measures to speed up approval procedures

A notification-commitment system will be promoted at all levels countrywide to speed up administrative approval procedures, as decided by an Oct 21 executive meeting of the State Council, China's Cabinet, presided over by Premier Li Keqiang.

The system will require individuals or businesses to guarantee the accuracy of information given on application documents without the need to provide certificates, as is the case at present.

The reform aims to tackle the problems that many individuals or businesses encounter in administrative application procedures when they are requested to provide certificates that are hard to obtain from relevant bodies at short notice.

When the reform comes into effect, applicants will only need to make a commitment instead of providing certificates for applicable items, according to the system, which was piloted from May last year in 13 provinces and municipalities and in five State Council departments.

The attendees decided that the notification-commitment system should be implemented as soon as possible to cover areas concerning people's livelihoods and companies' production activities, in addition to administrative services that are in high demand or hard-to-obtain certificates.

Early implementation is seen as essential, especially in areas such as household registration management, operating permits for market entities and social security insurance.

The system will not be applied to matters concerning public security, environmental protection or personal health, and the list of applicable items should be made public.

Applicants should be responsible for their commitments, the meeting said, but if an applicant is unwilling or unable to make a commitment, a certificate or permit must be submitted or requested in line with regulations.

If a guarantee is found to be untrue or even fraudulent, the application process will be terminated in accordance with the law.

Moreover, applicants will be required to make rectification within a fixed period or receive administrative punishment, or any decision already reached will be canceled.

Applicants who act in bad faith will see their fraudulent commitments filed in their credit record and will be given a corresponding punishment.

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