

# POLICY REVIEW



SHI YU / CHINA DAILY

## Measures counter impact of pandemic

### Guideline on business seeks to promote development of online health services

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The State Council has adopted a package of measures to facilitate investment and widen market access to improve the business environment and help counter the economic impact of the COVID-19 pandemic.

Key policies include the removal of unreasonable market access barriers in the construction, education, healthcare and sports sectors, improving the efficiency of customs clearance and encouraging the growth of new business models.

The 20 measures, unveiled in a guideline released by the General Office of the State Council on July 21, are the central government's latest effort to slash corporate burdens and energize market players after the COVID-19 pandemic caused the economy to contract by 1.6 percent in the first half of the year.

The office pledged to continue with prudent and accommodative oversight of new business models, including measures to phase out unreasonable administrative policies.

To better facilitate investment, the government highlighted the need to cut licensing red tape to expedite the approval of projects, including those in the construction sector, and to enable easier production and sale of industrial products, including automobiles and second-hand vehicles.

Sellers of secondhand vehicles will receive a boost as the authorities are set to abolish restrictions on the location of registration and simplify registration procedures for purchasers.

China added about 20,000 new businesses a day in the first half of the year despite the impact of the pandemic, Yang Hongcan, head of the State Administration of Market Regulation's Business Registration

Bureau, told a news briefing on Wednesday.

Yang said one-stop online services for starting a business will be offered across the country by the end of this year, and the approval period will be shortened to a maximum of four days.

The application of electronic business certificates and seals will be further promoted, and restrictions on the business venues of smaller businesses and self-employed individuals will be reduced, he said.

The guideline includes specific measures to scale up aid for exporters and importers, many of whom are reeling from the downturn in international trade caused by the pandemic, with the country's foreign trade down by 3.2 percent year-on-year in the first half of the year.

The government will expand one-stop services in international trade to logistics at ports and trading services and reduce barriers to investment by foreign trading businesses and their operations.

Products already certified as

meeting foreign standards that are higher than domestic standards will be able to be sold directly in the domestic market after their producers provide a written pledge on standard compliance. The registration of foreign trading businesses will also be delegated to prefecture-level cities.

A key focus of the guideline is to promote the development of health services, especially those provided online. To expand the supply of medical services, the government will consider allowing suitably qualified businesses and individuals to open clinics and practice medicine after filing credentials.

Providers of online health services will be allowed to expand areas of diagnosis and treatment, with eligible services to be covered by government health insurance, the guideline said, adding that the government will come up with a unified approval standard for the opening of online health service businesses.

Wang Hang, founder and CEO of Haodf.com, one of the largest

online healthcare companies in China, said the guideline will give the sector a significant boost.

The importance of the online healthcare sector was highlighted during the peak of the pandemic in China as it helped alleviate the pressure on brick-and-mortar hospitals.

The company's online platform received 6.72 million orders for medical diagnoses from patients from Jan 20 to April 12, when the pandemic was at its most severe and travel restrictions were in place, with daily demand for services up more than sixfold from December.

However, Wang said, a pressing challenge for third-party online healthcare providers was that they had not been listed as designated institutions in the health insurance system.

"A prerequisite for internet healthcare to be included in public health insurance is that the platforms must provide high-quality services at a good price," he said. "It (the guideline) will spur us to provide better services at lower cost."

### POLICY RESPONSE

## Battery swapping to benefit new-energy vehicle sector

By MO JINGXI  
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A number of ministry-level departments, including those responsible for industry and information technology, health, and education, have responded recently to issues of public concern.

**More battery-swapping facilities to be built**

China will step up efforts to advance the construction of battery-swapping infrastructure to promote quality growth of the new-energy vehicle sector, the Ministry of Industry and Information Technology said on Thursday.

Xin Guobin, vice-minister of industry and information, told a

news conference in Beijing that battery swapping will be further promoted.

China has led the world in NEV output and sales in the past five years, and has also built 38,000 battery charging stations, 449 battery-swap stations and 1.3 million charging poles, data from the ministry shows.

Battery swapping will help extend the life of batteries, enhance safety and lower costs for NEV buyers, Xin said, adding that enterprises will be encouraged to develop new battery charging and swapping technologies.

**Digital licenses introduced for medical sector workers**

Licensed hospitals, doctors and nurses in China will be able to use a digital license for their practices that can be kept and transmitted via digital devices, according to a notice published by the National Health Commission on Wednesday.

Promoting the use of digital licenses for medical institutions and staff nationwide is aimed at making health sector management and the

distribution of medical resources more efficient, it said.

The notice said the digital licenses, which will contain information about practice registration, will have the same effect as hard copies. Work on the initiative will start on Aug 1, and eligible people and organizations will be able to receive their digital licenses by the end of the year.

China already uses a digital system to store registration information about licensed medical institutions and personnel. The issuing of digital licenses is part of the system's development, the notice said, with the management of licenses to be connected with the management of registrations.

**830m yuan for restoration of areas hit by flooding**

China has channeled 830 million yuan (\$118.4 million) from its central budget to restore water conservancy and agricultural production facilities in flood-hit areas, the Ministry of Finance said on Wednesday.

The funds, allocated to 12 provincial regions including Jiangxi and Hubei provinces, will also be used to

purchase materials needed for agricultural production after the disaster, as well as for post-disaster recovery and the restoration of production and daily life, it said.

This year's central budget has marked 1.29 billion yuan for the restoration of water conservancy and agricultural production facilities in flood-hit parts of the country.

Since June, continuous downpours have lashed large parts of southern China, and the water in many rivers in affected regions has exceeded warning levels.

**Changes to student loan policy reduce debt burden**

China has revised its State-subsidized student loan policy in a bid to further reduce the debt burden on college students, a notice published on July 21 said.

The notice, jointly issued by the Ministry of Education and three other ministries, said State-subsidized student loans will be priced at 30 basis points below the loan prime rate — a market-based benchmark lending rate — for loans of the same class and term.



The latest rate will apply to contracts dated from Jan 1 this year, it said.

The grace period for the start of principal repayment has also been extended from three years to five years after graduation, it said, with students only needing to pay the interest during that period.

Borrowers need to pay off the principal and interest within 15 years of graduation, and the maximum term of a loan will be 22 years, the notice added.

The last time China adjusted its student loan policy was in 2015 when it extended the repayment period to 13 years after graduation, with a maximum term of 20 years.

Xinhua contributed to the story.

### Policy digest

#### 39,000 communities to undergo renovation



China plans to renovate 39,000 old residential communities in urban areas, with the move expected to benefit nearly seven million households, according to a guideline issued by the General Office of the State Council on July 20.

Older residential communities in urban areas can lack sufficient public service facilities, which makes residents eager to see them renovated.

The renovations — which are a major livelihood project — aim to meet people's needs for a better life, expand domestic demand, promote urban renewal and facilitate high-quality economic development, the guideline said.

It said the program will focus on residential communities built before 2001 and will take advice from residents and make plans in accordance with conditions in individual communities. It will also pay attention to the protection of blocks that are historically and culturally significant.

The country will form the basic institutional framework and policy system for the renovation of old urban residential areas by 2022 and strive to finish the rebuilding of all communities that need to be renovated by the end of 2025, the guideline said.

Local authorities will be required to gain a clear picture of the old residential communities under their administration and designate a pool of projects for renovation. Their renovation programs and yearly plans should be made in a scientific way, without blindly adding to the debt burden on local governments.

While governments will step up financial support for the projects, residents who benefit from the renovation and nongovernmental organizations will also be encouraged to provide money for or invest in the renovation work.

This year's Government Work Report vowed to strengthen the development of a new type of urbanization, with measures to support the installation of elevators in residential buildings and the development of dining, house cleaning and other community services.

#### Urbanization's potential highlighted by Cabinet

China will introduce diversified investment to support the country's construction of a new urbanization model as part of its efforts to expand domestic demand and improve people's livelihoods, an executive meeting of the State Council decided on Wednesday.

A statement released after the meeting, which was presided over by Premier Li Keqiang, said that promoting a new kind of urbanization that puts people first is where the greatest potential of domestic demand lies, and it will help keep the fundamentals of the economy stable.

Given the problems revealed in anti-epidemic and flood control work, the meeting required efforts to enhance the country's public health system and strengthen related infrastructure so as to improve the ability of cities to prevent and respond to major epidemics and natural disasters.

Weak links in the renovation of old residential communities, such as the lack of environmental facilities and public parking lots, should be strengthened to improve people's living standards and improve the quality of cities' development, it said.

Those at the meeting asked local governments to do more to improve transportation and garbage and sewage treatment facilities in county seats and to build housing to meet the demand of rural residents wanting to work and settle in them.

The meeting also urged greater efforts to develop labor-intensive industries so that rural residents can seek employment in places close to their homes, the statement said.